

**DECLARATION
OF COVENANTS, CONDITIONS, RESTRICTIONS
AND MANAGEMENT POLICIES**

THIS DECLARATION, made on the date hereinafter set forth by **LAKE CREEK FARMS HOMEOWNERS ASSOCIATION INC**, a Utah non-profit corporation, hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in the County of Wasatch, State of Utah, which is more particularly described as: See Exhibit "A" for description of property.

NOW THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, conditions, and Management Policies which are for the purpose of protecting the value and desirability of, 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.

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**ARTICLE I
DEFINITIONS**

WASATCH CO RECORDER-ELIZABETH M PARCELL
1995 MAY 10 12:37 PM FEE \$61.00 BY PAS
REQUEST: RHODES JACK

Section 1. "Association" shall mean and refer to **LAKE CREEK FARMS HOMEOWNERS ASSOCIATION**, its successors and assigns.

Section 2. "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 3. "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.

Section 4. "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: See Exhibit "A" Attached.

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded final plat map of the properties with the exception of the Common Area.

Section 6. "Declarant" shall mean and refer to **COOK DEVELOPMENT, LC.**, its successors and assigns.

Section 7. "Building Area" shall mean and refer to the only portion of the lot on which a home may be constructed.

ARTICLE II
PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to charge reasonable admission and other fees for the use of any facility situated upon the Common Area;

(b) the right of the Association to suspend the voting rights and right to the use of the facilities by an owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed 60 days for any infraction of its rules and regulations as set forth in this Declaration and as may be published by the Board of Directors of the Association.

(c) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency or authority for such purpose and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds, (2/3), of the members agreeing to such dedication or transfer has been recorded.

Section 2. Delegation of Use. Any owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family who reside on the property, his tenants, or contract purchasers who reside on the property.

Section 3. Parking Rights. Vehicle parking shall be confined to each Lot.

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ARTICLE III
EXTERIOR MAINTENANCE

Section 1. The exterior maintenance of each building and lot shall be the responsibility of the individual owner. Maintenance shall include paint, repair, replace and care for roofs, gutters, down spouts, exterior building surfaces, trees, shrubs, grass, walks, drives and other exterior improvements.

Section 2. In the event an Owner fails to maintain the exterior of his buildings and the appearance of his lot in a manner satisfactory to the Board of Directors, then, after a resolution passed by at least two-thirds, (2/3), of the Board, the Association shall have the right, through its agents and employees, to require such Owner to repair, maintain and restore such Private Areas to a standard consistent with the Development.

ARTICLE IV
DESCRIPTION OF PROPOSED PROJECT

Section 1. Type of Project. The project is proposed under the Planned Subdivisions Standards of Wasatch County. The property has been platted into 216 one to three acre lots located approximately three miles East-Southeast of Heber City between 1200 South Road and Center Creek Road. The development lies on the East foot hills of Heber Valley with panoramic views of the Heber Valley and surrounding mountains..

The development has access to two major county roads 1200 South Road and Center Creek Road. Each lot will be served by the Lake Creek Culinary Water Company. All roads will have sufficient unpaved right of way so as to facilitate the riding of horses throughout the development.

Section 2. Maps. See Exhibit "A" for detailed site plan.

Section 3. Staged Development. The proposed development will be completed in seven, (7), development phases with the construction of on-site improvements on a phase by phase basis.

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ARTICLE V
ENVIRONMENTAL CONSEQUENCES OF PROPOSED PROJECT

1. Soil Erosion and Control of Erosion. The following steps shall be required to minimize the soil erosion potential on the development:

(a) Any vertical slope cuts for building pads shall be limited to a maximum of ten (10) vertical feet.

(b) All vertical cuts shall be either cribbed or revegetated with natural soils and planted with grasses.

Section 2. Waste Disposal Facilities. Liquid waste will be disposed of through the means of individually approved septic systems or sewer connection for each Lot serviced by sewer.

Solid waste will be removed from each Lot by owner placing it on an approved location at the entrance of each property, in an approved container to be picked up on a scheduled basis by a designated waste disposal company.

Section 3. Fire hazards. Control of fire hazards will be facilitated through the installation of fire hydrants in the development. Additionally fire protection is provided by the County Fire Department.

Section 4. Flood Hazards and Control of Floods. The surface water run-off from the project will be contained in Sumps and Retention Basins. Each lot owner will be responsible to retain surface water run-off within his own property boundry. None of the development lies within a Flood Zone.

ARTICLE VI
RESTRICTIONS

Section 1. Size of Homes and Buildings. All single family dwellings must be a minimum of 1200 square feet of living space on the main level for two story homes, and

1800 feet for rambler style homes (exclusive of porches, patios, and garages). All barns and outbuildings must be designed to be compatible to the development. All building plans, elevations, and materials are subject to review and approval of the Architectural Control Committee.

Section 2 Residential Use. Each Lot shall be occupied and used by its Owner only as a private residence dwelling for the Owner, his family, tenants and social guests and shall further conform to applicable zoning ordinance requirements of Wasatch County.

Section 3 Building. All home construction will be subject to a county building permit. Upon the request for a building permit, builders will submit a plan, approved by the Architectural Control Committee, to the Wasatch County Building Department.

Section 4 Setbacks. The owner will follow the County Ordinance in its requirement of setbacks from roads and property lines.

Section 5 Parking. All permanent parking will be confined to the individual Lots, not on road right-of-ways or common areas.

Section 6 Solid Waste. Solid waste will be removed from each individually owned lot by owner placing it on an approved location at the entrance of the Lot, in an approved container, to be collected on a scheduled basis by a designated waste collection company. Solid waste left around individual lots or piled in an unsightly manner is not allowed.

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Section 7 Unsightly Storage and Materials. So as to preserve and protect the appearance of the development all unsightly objects such as trash piles, broken or unfinished buildings, wornout or unused vehicles, broken or inappropriate fencing, and or any other unsightly objects which devalue the surrounding area are not allowed. Individual Lots are not to be used as storage areas.

Section 9 Alteration. No Owner shall make structural alterations or modifications to his Lot and dwelling or other exterior attachments, antennas, (other than regular TV antennas), signs, (except property for sale signs), or advertising devices without the prior written approval of the Architectural Committee. The Committee shall not approve any alterations, decorations or modifications which would jeopardize or impair the soundness, safety or appearance of the development.

Section 10 Improper Activities. No unlawful activities shall be carried on in any Lot or upon the Common Areas, nor shall anything be done which may be a nuisance to the Owners. No Owner shall store any dangerous explosives or inflammable materials either in his dwelling, on his Lot, or upon the Common Areas, or permit anything to be done or to keep or permit to be kept in his dwelling, on his Lot, or on the Common Areas anything that will increase risk within the development.

Section 11 Fencing. Fencing other than that designated by the developer and/or Architectural Committee is not permitted.

Section 12 Use of Common Areas. The Common Areas shall not be used for storage of supplies, personal property or trash or refuse of any kind. The use of motorized vehicles on the common areas must be approved by the Homeowners Association. Entrances, sidewalks, yards, driveways or parking areas shall not be obstructed in any way nor shall unauthorized persons use them for other than their intended purposes.

Section 13 Animals. Owners desiring to keep animals on their lots must be approved by the Architectural Control Committee as to the number and types of animals

they wish to keep. Guidelines established by the developer are as follows: No wild or dangerous animals shall be kept within the development. No cows or swine are allowed. Sheep, goats, ostrich, llamas, etc. as substitute for an equivalent number of horses will be approved by the Association. The number of horses allowed. 1-2 acre lots (3 horses), 2-3 acres lots (4 horses).

The construction of shelter facilities for all animals, including stomp lots required for horses, must be approved by the Architectural Control Committee. Stomp lots shall have a soil berm or a concrete wall constructed on the down gradient of the lot, (see typical stomp lot layout, attachment A), that will result in the stomp lot containing the runoff from a 24 hour 10 year storm event. All stomp lots shall be cleaned at least in the May-June and September-October period.

Watering facilities for animals shall be located within the area of the stomp lot and approved by the Architectural Control Committee. In approving water facilities the committee shall determine that the proposed watering facility has a water control feature to prevent overflow and is located on a concrete base surrounded by a gravel area of not less than 10 feet.

Barbed wire fences shall not be used to confine animals. The storage of hay shall be restricted to an area behind residences of at least ten feet from neighboring lot lines.

ARTICLE VII MEMBERSHIP VOTING RIGHTS

Section 1. Every owner of a lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. The Association shall have two classes of voting membership.

Class A. Class A members shall be all Owners with the exception of the Developer and shall be intitled to one vote for each Lot owned. When more than one person holds and 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.

Class B. Class B member(s) shall be the Developer and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or
- (b) on December 31, 1999.

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ARTICLE VIII COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments.
The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so

expressed in such deed, is deemed to covenant and agree to pay to the Association; (1) annual assessments or charges, and (2) any special assessments for capital improvements that are approved by the Homeowners Association, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, 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 interest, cost, 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 for delinquent assessments shall not pass to his successors in title unless expressly assumed by them. The lien shall pass and run with the land.

Section 2. Purpose of Assessment. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Development and for the improvement and maintenance of the Common Area.

Section 3. Maximum annual assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be \$200.00 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 not be increased each year by more than 7% above the maximum assessment for the previous year without a vote of the membership.

(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 7% by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 3a. Exempt Property. All properties dedicated to, and accepted by, a local public authority shall be exempt from the assessments created herein. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

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, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, or upon the exterior of the properties, provided that any such assessment 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.

In its discretion the Association may require that any assessment not be expended by the Association in the year of its collection or it may provide that the assessments be treated as a contribution to the capital of the Association, in the following years, and maintained in a separate capital account until expenditure of such funds is appropriate.

The Association may, in its discretion, hold such assessment funds as an agent for the members until the year in which the expenditures of such funds is appropriate; in such year, the Association shall transfer such funds to the ownership of the Association before making expenditure.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence 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 present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots except for unusual exposure or other unusual conditions, and may be collected on a monthly bases.

Section 7. Date of Commencement of Annual Assessments/Due Dates. The annual assessments provided for herein shall be due and payable as of the date of the sale of the first lot. 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. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the association setting forth whether the assessments on a specified Lot have been paid.

Section 8. Effect of Nonpayment of Assessments/Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of ten percent, (10%), per annum. The Association may bring an action of law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive of otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lien thereof, shall extinguish the lien of such assessments as to payments which become 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.

ARTICLE IX ARCHITECTURAL CONTROL

No building, fence, wall or other structure shall be commenced, erected or maintained upon the properties, nor shall any exterior addition to or change or alteration

therein be made until the plans and specifications showing the nature, kind, shape, height, material and location of the same shall have been submitted to and approved in writing as to harmony or external design and location by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

ARTICLE X INSURANCE

Section 1. Types of Insurance. The Association shall obtain from insurance companies licensed to do business in the State of Utah and shall keep in full force and effect at all times the following types of insurance covering the Common Area and shall pay the premiums thereon as a Common Expense.

(a) Fire and Casualty Insurance. The Association shall obtain a policy or policies of insurance on the Common Areas and facilities of the project in such amounts as shall provide for the maximum insurable replacement thereof in the event of damage or destruction. Such insurance shall include fire and extended coverage, vandalism and malicious mischief, and such other risks and hazards against which the Association shall deem it appropriate to provide insurance protection. The Association may elect such "deductible" provisions as in the Association's opinion are consistent with good business practice.

(b) Public Liability and Property Damage Insurance. The Association shall obtain a broad form of comprehensive liability insurance coverage, in such amounts and in such forms as it deems advisable to provide adequate protection against liability for personal injury, death, and property damage. Coverage shall include without limitation liability for operation of automobiles on behalf of the Association and all activities in connection with the ownership, operation, maintenance, and other use of the Project or any portion thereof.

ARTICLE XI GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, and management policies, and reservations, and charges now or hereafter

imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidations of any one of these covenants and restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. Any amendment must also be approved by the Board of County Commissioners, and must be recorded in the office of the County Recorder before such amendment shall become effective.

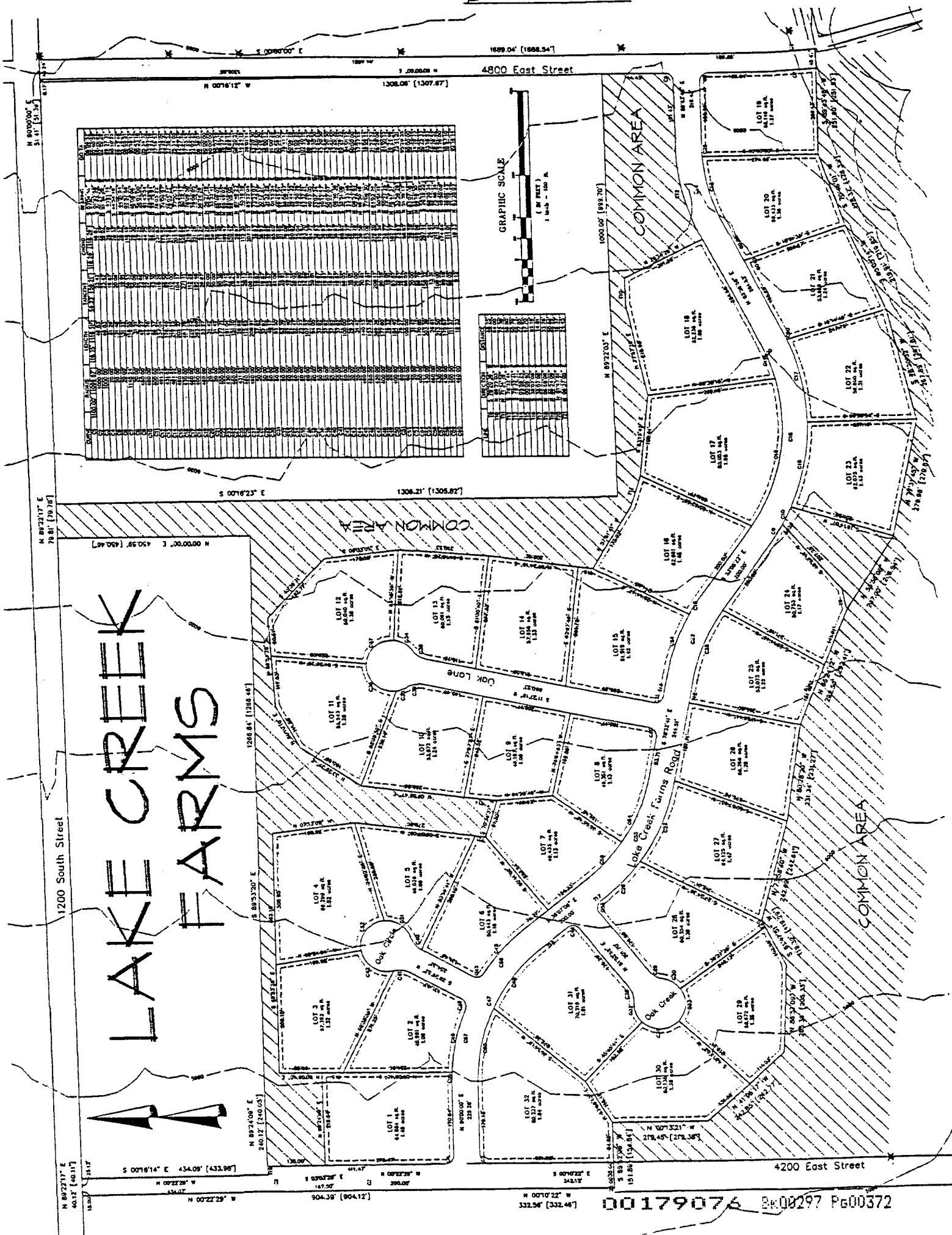
IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 9 day of MAY, 1995.

LAKE CREEK FARMS HOMEOWNERS ASSOCIATION
Declarant

By Paul Cook

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EXHIBIT "A"



A

LAKE CREEK FARMS

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SEC. 11
 & MERIDIAN
 03" W
 9' P.O.B.
 6.17' 45.24'
 N 00'16'12" W
 508.06'
 4800 EAST STREET
 1502.18'
 1308.06' [130
 S 00'00'00" E
 3 .00,00,00

SURVEYOR'S CERTIFICATE

I, F. LEWIS PRATT, DO HEREBY CERTIFY THAT I AM A REGISTERED LAND SURVEYOR, AND THAT I HOLD CERTIFICATE NO. 65-2201 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, BLOCKS, STREETS, AND EASEMENTS 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.

BOUNDARY DESCRIPTION

COMMENCING AT A POINT LOCATED SOUTH 89°22'03" WEST 8.59 FEET FROM THE NORTH EAST CORNER OF SECTION 11 TOWNSHIP 4 SOUTH, RANGE 5 EAST, SALT LAKE BASE & MERIDIAN; THENCE AS FOLLOWS

BEARING	DISTANCE	REMARKS
SOUTH	1624.25'	ALONG A FENCE LINE
ARCH LENGTH	183.61'	TO THE LEFT R=1184.76' (CHD BEAR=S 04°26'23" E. 183.43')
S 89°43'48" W	259.44'	
S 70°46'01" W	178.37'	
S 65°05'14" W	219.91'	
S 76°20'52" W	267.89'	
N 77°31'45" W	279.96'	
N 55°58'05" W	207.00'	
N 66°24'12" W	292.50'	
N 80°28'20" W	231.34'	
N 73°58'40" W	242.69'	
S 61°47'51" W	119.32'	
N 86°57'09" W	205.39'	
N 41°06'17" W	242.85'	
N 00°13'21" W	219.45'	
S 89°52'08" W	154.89'	
N 00°10'22" W	332.56'	
N 00°22'29" W	904.39'	
N 89°22'17" E	40.12'	
S 00°16'14" E	434.09'	
N 89°24'09" E	240.12'	ALONG A FENCE LINE
S 89°53'20" E	1266.84'	ALONG A FENCE LINE
NORTH	450.59'	
N 89°22'17" E	79.81'	
S 00°16'23" E	1306.21'	
N 89°22'03" E	1000.00'	
N 00°16'12" W	1308.06'	
EAST	51.41'	TO THE POINT OF BEGINNING
		AREA = 62.85 ACRES

BASIS OF BEARING = SOUTH 89°22'03" WEST ALONG THE SECTION LINE

13 October 1994
 DATE

F. Lewis Pratt
 SURVEYOR
 (See Seal Below)

OWNER'S DEDICATION

KNOW ALL MEN BY THESE PRESENTS THAT WE, ALL OF THE UNDERSIGNED OWNERS OF ALL OF THE PROPERTY DESCRIBED IN THE SURVEYOR'S CERTIFICATE HEREON AND SHOWN ON THIS MAP, HAVE CAUSED THE SAME TO BE SUBDIVIDED INTO LOTS, BLOCKS, STREETS AND EASEMENTS AND DO HEREBY DEDICATE THE STREETS AND OTHER PUBLIC AREAS AS INDICATED HEREON FOR PERPETUAL USE OF THE PUBLIC. IN WITNESS WHEREOF WE HAVE HEREUNTO SET OUR HANDS THIS 5 DAY OF APRIL, A.D. 1995

Paul H. Cook
Jack F. Cook
Caroleene J. Cook

ACKNOWLEDGEMENT

STATE OF UTAH } S.S.