

WHEN RECORDED RETURN TO:

Ivory Development, LLC
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RICHARD T. MAUGHAN
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**NEIGHBORHOOD DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS, AND RESERVATION OF EASEMENTS**

**FOR
CLUBVIEW AT CRANEFIELD No. 1 *LOTS 1-28***

This Neighborhood Declaration of Covenants, Conditions and Restrictions, and Reservation of Easements for Clubview at Cranefield No 1 (the "Declaration") is made and executed by Ivory Development, LLC., a Utah limited liability company, of 978 East Woodoak Lane, Salt Lake City, UT 84117 (the "Declarant").

RECITALS

A. Declarant is the fee simple owner of record of that certain real property located in Clinton City, Davis County, Utah and described with particularity on Exhibit "A-2" attached hereto and incorporated herein by this reference (the "Clubview at Cranefield Property").

B. The Plat Map for Clubview at Cranefield prepared and certified to by Andy Hubbard, a Registered Professional Land Surveyor in the State of Utah holding Certificate No. 6242920 has also been or will be recorded in the office of the County Recorder of Davis County, Utah (the "Final Plat").

C. The Declarant has recorded a Supplemental Declaration expanding Cranefield Estates and annexing Clubview at Cranefield.

D. Clubview at Cranefield is subject to and bound by the Amended and Restated Declaration of Covenants, Conditions and Restrictions, and Reservation of Easements for Cranefield Estates PRUD No. 1 recorded in the office of the County Recorder of Davis County, Utah on May 30, 2008 as Entry No. 2369147 in Book 4544 at Pages 1020-1098 of the official records (the "Master Declaration").

E. The management, use and maintenance of the Common Area and Facilities are governed by the Master Declaration.

D. Declarant desires to create on Clubview at Cranefield fifty-nine (59) additional Lots.

E. The completion of Clubview at Cranefield will be in phases. The completed Clubview at Cranefield project will consist of the original phase and all subsequent phases. The initial phase shall contain twenty-eight (28) new Lots, numbered 1-28, inclusive.

F. Clubview at Cranefield is an area featuring unique and distinctive terrain;

G. By subjecting Clubview at Cranefield to this Declaration it is the desire, intent and purpose of Declarant to create a residential development in which beauty shall be substantially preserved, which will enhance the desirability of living on or visiting real estate subject to this Declaration, and which will increase and preserve the utility, attractiveness, quality and value of the lands and improvements therein.

H. Declarant has constructed or is in the process of constructing upon Clubview at Cranefield a planned development which shall include certain Buildings, Lots, Homes, Common Area and Facilities, and other improvements. The construction will be completed in accordance with the plans contained in the Final Plat to be recorded concurrently herewith.

I. Declarant intends to sell to various purchasers the fee title to the individual Lots contained within Clubview at Cranefield, together with an appurtenant membership interest in the Subassociation and Association.

J. Declarant desires by filing this Declaration and Final Plat to submit Clubview at Cranefield and all improvements now or hereafter constructed thereon to the Utah Community Association Act, Utah Code Ann., §§57-8a-1 et seq. (the "Act") and this Declaration.

NOW, THEREFORE, for the reasons recited above, and for the benefit of Clubview at Cranefield and the Owners thereof, Declarant hereby executes this Declaration.

1. **Legal Description.** Clubview at Cranefield described in Exhibit A-2 attached hereto and incorporated herein by this reference is hereby submitted to the Master Declaration, this Declaration and the Act.

2. **Transfers and Conveyances.** Clubview at Cranefield shall be held, transferred, sold, conveyed and occupied subject to the provisions of the Master Declaration, Declaration and Act, as they may be supplemented or amended from time to time.

3. **Submission.** Declarant hereby submits Clubview at Cranefield to the Master Declaration, this Declaration and the Act. Clubview at Cranefield shall be subject to the functions, powers, rights, duties and jurisdiction of the Subassociation. Clubview at Cranefield and every part thereof is and shall be held, conveyed, devised, leased, granted, encumbered, used, occupied, and otherwise transferred in any manner, subject to the provisions of the Master Declaration, this Declaration and the Act. Each and all of the

provisions hereof are hereby declared to be in furtherance of the general plan and scheme of ownership, and are further declared to be for the benefit of Clubview at Cranefield and every part thereof, and for the benefit of each Owner. All provisions hereof shall be deemed to run with the land as covenants running with the land, or as an equitable servitude, as the case may be, and shall bind all persons hereafter acquiring or owning any interest in Clubview at Cranefield, however such interest may be obtained. All present and future Owners, Permittees and Mortgagees shall be subject to and shall be obligated to comply with the provisions of this Declaration. Acceptance of a deed of conveyance, entering into a lease or rental agreement, taking possession of Lot, accepting a mortgage on one of the Lots, or entering the Project shall constitute an agreement that the provisions of this Declaration, and all amendments thereto, are accepted and ratified by such Person, and all of such provisions shall be deemed and taken to bind any Person having at any time any interest or estate in such Lot, as though such provisions were recited and stipulated at length in each and every deed, conveyance, mortgage, lease or rental agreement thereof.

4. Common Area and Facilities. The Owners of Lots at Clubview at Cranefield may use and enjoy the Common Area and Facilities subject to the Master Declaration.

5. Description of Improvements in Clubview at Cranefield Property. Clubview at Cranefield will contain fifty-nine (59) Lots. Phase 1 shall consist of twenty-eight (28) Lots, numbered 1-28, inclusive, patio homes, front, side and rear yards, roads and lanes, independent water services, fencing, landscaping, and other improvements of a less significant nature. The actual number of Lots and configurations are subject to change. All details involving the description and location of the Buildings, Lots, Homes and other like details are shown on the Final Plat.

6. Definitions. When used in this Declaration (including in that portion hereof entitled "Recitals"), each of the following terms shall have the meaning indicated.

6.1 The term Area of Common Responsibility shall mean and refer to the area and items for which the Subassociation is responsible.

6.2 The term Area of Personal Responsibility shall mean and refer to the area and items for which the Owners are responsible.

6.3 The term Articles of Incorporation shall mean and refer to the Articles of Incorporation of Clubview at Cranefield Subassociation on file or to be filed with the Utah Department of Commerce.

6.4 The term Assessment shall mean and refer to any amount imposed upon, assessed or charged an Owner by the Subassociation.

6.5 The term Board of Directors shall mean and refer to the governing board of the Subassociation.

6.6 The term Building shall mean and refer to any of the structures constructed in Clubview at Cranefield.

6.7 The term Bylaws shall mean and refer to the Bylaws of the Subassociation, a copy of which is attached hereto, marked Exhibit "C", and incorporated herein by this reference.

6.9 The term Capital Improvement or Addition shall mean and refer to a permanent addition to or the betterment of real property that enhances its capital value and improves the expenditure of labor or money and is designed to make the property more useful or valuable as distinguished from ordinary repairs.

6.10 The term City shall mean and refer to the City of Clinton in Davis County, Utah.

6.11 The term Common Area is defined in the Master Association.

6.12 The term Common Expense shall mean and refer to:

(a) All sums lawfully assessed against the Owners by the Master Association and/or the Subassociation;

(b) Expenses of administration of the Subassociation;

(c) Expenses allocated by the Subassociation among all of the Owners; and

(d) Expenses agreed upon as common expenses by the Board of Directors.

6.13 The term Covenant to Share Costs shall mean and refer to the obligation of the Owners at Clubview at Cranefield to pay their proportionate share of the cost of managing, using and/or maintaining the Common Area and Facilities, which amounts shall be divided equally and uniformly among all of the Owners.

6.14 The term Declaration shall mean and refer to the Neighborhood Declaration of Covenants, Conditions and Restrictions, and Reservation of Easements for Cranefield Estates PRUD No. 2 aka Clubview at Cranefield.

6.15 The term Dedicated Streets shall mean and refer to those streets, roads and cul-de-sacs within the Cranefield Project formally dedicated to the City or any other municipal or governmental body politic, entity or agency.

6.16 The term Default Assessment shall mean and refer to any amount imposed upon, assessed or charged an individual Owner pursuant to the Project

Documents for failure to perform an obligation thereunder or because the Master Association and/or Subassociation has incurred an expense on behalf of the Owner.

6.17 The term Design Guidelines shall mean and refer to any design guidelines for Clubview at Cranefield.

6.18 The term Declarant shall mean and include Ivory Development, LLC and any person or persons who might acquire title from it to all or some of the unsold Lots through purchase, assignment or other transfer including foreclosure or deed in lieu of foreclosure; or, in the situation where, any person purchases all, or some of the remaining Lots in a sale in the nature of a bulk sale. The person acquiring any of such property from the Declarant shall be considered a Declarant with respect to that portion of the property so acquired and shall have the right to develop the property and/or sell such property in accordance with the terms and provisions of this Declaration; provided, however, a notice of succession shall be recorded in the Office of the County Recorder signed by both the current Declarant and by its successor in interest as the new Declarant.

6.19 The term Developmental Rights shall mean and refer to the right granted hereunder to the Declarant, its agents, representatives, employees, successors and assigns, to develop and improve Clubview at Cranefield.

6.20 The term Eligible Guarantor shall mean and refer to a governmental guarantor of a mortgage or trust deed who has requested notice in writing of certain matters from the Subassociation in accordance with this Declaration.

6.21 The term Eligible Insurer shall mean and refer to an insurer of a mortgage or trust deed who has requested notice in writing of certain matters from the Subassociation in accordance with this Declaration.

6.22 The term Eligible Mortgagee shall mean and refer to a mortgagee, beneficiary under a trust deed, or lender who has requested notice in writing of certain matters from the Subassociation in accordance with this Declaration.

6.23 The term Eligible Votes shall mean and refer to those votes available to be cast on any issue before the Subassociation or the Board of Directors. A vote which is for any reason suspended is not an "eligible vote".

6.24 The term Final Plat shall mean and refer to the recorded Final Plat for Clubview at Cranefield on file in the Office of the County Recorder.

6.25 The term Guest shall mean and refer to a guest, visitor or invitee of an Owner or the occupant of a Home.

6.26 The term Guest Parking shall mean and refer to those parking spaces reserved for the exclusive use of Guests.

6.27 The term Home shall mean and refer to the home, dwelling or living unit constructed upon a Lot.

6.28 The term Improvement shall mean and refer to any physical change or addition to the Land to make it more valuable.

6.29 The term Individual Charge shall mean and refer to a charge levied against an Owner or Permittee for any expense or all expenses resulting from the act or omission of such Person, excepting the Owner's failure to pay any Assessment. Individual Charges shall include, by way of illustration but not limitation, any expense resulting from the act or failure to act of any Owner or Permittee including:

(a) The cost to repair any damage to any portion of Clubview at Cranefield or the Common Area and Facilities on account of loss or damage caused by such Person; or

(b) The cost to satisfy any expense to any other Owner and/or Subassociation due to any intentional or negligent act or omission of such Person, or resulting from the breach by such Person of any provisions of the Project Documents; or

(c) Fines or other monetary charges; or

(d) Default Assessment.

Individual Charges may be secured by a lien in accordance with and pursuant to §57-8a-203 (2004) of the Act, as it may be amended or supplemented. The Subassociation also shall have all other remedies, both legal and equitable, described in the Project Documents available against any Owner for nonpayment.

6.30 The term Land shall mean and refer to all of the real property subject to this Declaration.

6.31 The term Landscaping shall mean and refer to both the (a) landscaped areas, open or green space and (b) the grass, trees, shrubs, bushes, flowers, plants, and like improvements located within Clubview at Cranefield, as well as the appurtenant sprinkling, irrigation and utility systems.

6.32 The term Lender shall mean and refer to a Mortgagee.

6.33 The term Lot shall mean and refer to a lot as shown on the Final Plat. Where the context requires the term "Lot" shall mean and refer to a "Home"

as that term is defined below. Each Lot shall be assigned a separate "parcel" or tax identification number by the appropriate governmental agency.

6.34 The term Lot Number shall mean and refer to the number, letter or combination thereof designating a particular Lot, identified on the Final Plat as a "Lot Number."

6.35 The term Manager shall mean and refer to the Person appointed or hired by the Subassociation to manage and operate Clubview at Cranefield.

6.36 The term Master Association shall mean and refer to the association of Owners within the entire Project taken or acting as a group in accordance with the Master Declaration.

6.37 The term Master Declaration shall mean and refer to the Amended and Restated Declaration of Covenants, Conditions and Restrictions, and Reservation of Easements for Cranefield Estates PRUD No. 1.

6.38 The term Mortgage shall mean and refer to any mortgage, deed of trust or other security instrument (including the seller's rights under a contract for deed) by which a Lot or any part thereof or interest therein is encumbered. A First Mortgage is a Mortgage having priority as to all other Mortgages encumbering a Lot, or any part thereof or interest therein.

6.39 The term Mortgagee shall mean and refer to any person or entity named as the mortgagee, beneficiary or holder of the seller's interest (so long as a copy of the contract for deed is given to the Subassociation) under any Mortgage by which the interest of any Owner is encumbered, or any successor to the interest of such person under such Mortgage. A First Mortgagee shall mean and refer to any person or entity holding a First Mortgage including any insurer or guarantor of a First Mortgage. Any and all Mortgagee protections contained in the Declaration shall also protect the Declarant as the holder of a First Mortgage of a Lot, or any interest therein.

6.40 The term Office of the County Recorder or County Recorder shall mean and refer to the Office of the County Recorder of Davis County, Utah.

6.41 The term Owner shall mean and refer to a Person who is the owner of a fee or an undivided fee interest in a Lot, excluding a mortgagee or a beneficiary or trustee under a deed of trust unless and until such party has acquired title pursuant to foreclosure or any arrangement or proceeding in lieu thereof.

6.42 The term Period of Declarant's Control shall mean and refer to the period of time during which the Declarant has the exclusive right to select the members of the Board of Directors.

6.43 The term Permittee shall mean a Guest, tenant, renter, lessee and non-occupant residents.

6.44 The term Person shall mean and refer to a natural person, corporation, partnership, trust, limited liability company, or other legal entity.

6.45 The term Project or entire Project or Cranefield Project shall mean and refer to all of the real property subject to the Master Declaration.

6.46 The term Project Documents shall mean and refer to the Master Declaration, this Declaration, Bylaws, Articles of Incorporation, and Rules and Regulations, as they may be amended or supplemented from time to time.

6.47 The term Property shall mean and refer to all of the land or real estate, improvements and appurtenances submitted to this Declaration.

6.48 The term Recreational, Oversized, or Commercial Vehicle shall mean and refer to any recreational, commercial or oversized vehicle, motor home, commercial vehicle, tractor, golf cart, mobile home or trailer (either with or without wheels), camper, camper trailer, boat or other watercraft, boat trailer, or any other recreational or commercial transportation device of any kind so designated by the Board of Directors.

6.49 The term Repair shall mean and refer to merely correcting the damage done sometimes by accident or fire or other cause, but more often due to the ravages of time and the deterioration resulting from ordinary wear and tear, by substituting for the damage, decayed or worn-out parts, new material, usually similar to that replaced, and so restoring the structure to its original sound condition.

6.50 The term Residence Number shall mean and refer to the number, letter or combination of name, numbers and letters that identifies only one Home in Clubview at Cranefield.

6.51 The term Resident shall mean and refer to any natural person living or residing in or staying at Clubview at Cranefield.

6.52 The term Single Family shall mean and refer to one of the following: (a) a single person, (b) a group of natural persons related to each other by blood or legally related to each other by marriage or adoption, or (c) a group of not more than three unrelated persons who maintain a common household to be distinguished from a group occupying a boarding house, club, fraternity or hotel. An additional person or persons may also be allowed under appropriate circumstances, for example, as a caretaker or as domestic help, with the prior written consent of the Board of Directors.

6.53 The term Single Family Residence shall mean and refer to both (a) the architectural style of a Lot and (b) the nature of the residential use permitted.

6.54 The term Subassociation shall mean and refer to the subassociation of Owners at Clubview at Cranefield taken or acting as a group in accordance with this Declaration.

6.55 The term Total Votes of the Subassociation shall mean and refer to the total number of votes appertaining to all Lots at Clubview at Cranefield.

6.56 The term Use Restrictions shall mean and refer to the use restrictions governing the Clubview at Cranefield Project set forth herein, as they may be modified, amended, repealed, canceled, limited, withdrawn or expanded from time to time.

6.57 Visible From a Neighboring Property shall mean with respect to any object, that such object is or would be visible to an individual six feet (6') tall, standing at ground level on any portion of the neighboring property.

6.58 Water-Wise Techniques shall mean and refer to the guidelines marked Exhibit "C," attached hereto and incorporated herein by this reference.

7. Nature and Incidents of Ownership.

(a) In addition to each Owner's fee simple ownership or interest in a Lot, each Owner shall be a member in the Subassociation, and such membership is hereby declared to be appurtenant to and inseparable from the Lot.

(b) Percentages of ownership, voting rights and the allocation of Common Expenses shall be equal and uniform among all Lots at Clubview at Cranefield.

(c) Title to a Lot may be held or owned by any entity and in any manner in which title to any other real property may be held or owned in the State of Utah.

(d) The appurtenant Common Area may not be separated or partitioned from a Lot.

(e) No Lot may be separated or partitioned from its corresponding membership interest in the Master Association or Subassociation.

(f) Each Lot shall always be conveyed, devised, encumbered, and otherwise affected with its appurtenant membership in the Master Association and

Subassociation. The Lot and membership interest in the Master Association and/or Subassociation may never be separated from one another.

(g) The Common Area shall be owned by the Master Association and shall be used in common and on a non-exclusive basis by all the Owners in the entire Project, and no Owner may bring any action for partition thereof.

(h) Subject to the limitations contained in this Declaration, any Owner shall have the non-exclusive right to use and enjoy the Common Area and Facilities.

(i) If any part of the Common Area encroaches or shall hereafter encroach upon a Lot, an easement for such encroachment and for the maintenance of the same shall and does exist. If any part of a Lot encroaches or shall hereafter encroach upon the Common Area, or upon an adjoining Lot or Lot, an easement for such encroachment and for the maintenance of the same shall and does exist. Such encroachments shall not be considered to be encumbrances either on the Common Area or a Lot. Encroachments referred to herein include, but are not limited to, encroachments caused by error in the original construction of the building on the Property, by error in the Final Plat, by settling, rising, or shifting of the earth, or by changes in position caused by repair or reconstruction of the Property or any part thereof.

(j) Subject to the Master Declaration and the rights, power and authority of the Master Association, each Owner by virtue of his acceptance of a deed or other document of conveyance hereby appoints the Board of Directors as his agent, to have access to all Common Area from time to time during such reasonable hours as may be necessary for the maintenance, repair or replacement of any of the Common Area making emergency repairs therein necessary to prevent damage to the Common Area or to another Lot. The Board of Directors shall also have such right independent of any agency relationship. Damage to a Lot resulting from the maintenance, repair, emergency repair, or replacement of any of the Common Area or as a result of emergency repairs at the insistence of the Board of Directors or an Owner shall be a Common Expense; provided however, that if such damage is the result of negligence of the Owner of a Lot, then such Owner shall be financially responsible for all of such damage. Such damage shall be repaired and the Property shall be restored substantially to the same condition as existed prior to damage. Amounts owing by Owners pursuant hereto shall be collected by the Board of Directors by Assessment as provided herein.

(j) Each Owner shall have a right of ingress and egress over, upon and across the Common Area necessary for access to his Lot. Each Owner shall have a right to the horizontal and lateral support of his Lot, and such rights shall be pertinent to and pass with the title to each Lot.

(k) Easements are reserved throughout the Property as may be required for utility and other services.

(l) All conveyances of a Lot hereafter made, whether by Declarant or otherwise, shall be construed to grant and reserve such reciprocal easements as shall give effect to this Declaration, even though no specific reference to such easements appears in any such conveyance.

8. Description and Conveyance of a Lot.

(a) Every conveyance or contract for the sale of a Lot and every other instrument affecting title to a Lot may describe that Lot by the number shown on the Final Plat, in substantially the following fashion:

LOT NO. _____, as shown in the Declaration and on the Final Plat for CRANEFIELD ESTATES PRUD No. 2 aka CLUBVIEW AT CRANEFIELD, Phase _____, appearing in the records of the County Recorder of Davis County, Utah, together with an undivided interest in and to the Common Area, as the same are established and identified in the Declaration and Final Plat referred to above.

SUBJECT TO: The Master Declaration, Declaration and Final Plat; all liens for current and future Assessments and charges imposed or levied pursuant to the Master Declaration or Declaration; mineral reservations of record and rights incident thereto; all instruments of record which affect the above-described tract or any portion thereof, including, without limitation, any mortgage or deed of trust; all visible easements and rights-of-way; and all easements and rights-of-way of record; all easements, rights-of-way, encroachments, or discrepancies shown on or revealed by the Final Plat or otherwise existing; an easement for every pipe, line, cable, wire, utility line, or similar facility which traverses or partially occupies the above-described tract; and all easements necessary for ingress to, egress from, maintenance of, and replacement of all such pipes, lines, cables, wires, utility lines, and similar facilities.

Such description shall be construed to describe the Lot, together with the appurtenant membership in the Master Association and Subassociation, right to

use the Common Area and Facilities, and in addition to incorporate all the rights and limitations incident to such ownership contained in the Project Documents.

(b) Title to each Lot is hereby made subject to the terms and conditions hereof which bind the Declarant and all subsequent owners, whether or not it be so expressed in the deed by which any Owner acquired a Lot.

9. **Board of Directors Rights and Obligations.**

(a) The business, property and affairs of the Subassociation shall be managed by a Board of Directors composed of three (3) individuals. Until the first regular meeting of the Subassociation is held pursuant after the termination of the Declarant's Period of Control, the Declarant alone shall be entitled to select the three (3) members of the Board of Directors. In the event a Board seat which was filled by Declarant becomes vacant, Declarant shall have the right to select a replacement member to sit on the Board for the balance of the term associated with the vacated seat. In all other cases of vacancy the remaining Board members shall elect a replacement as provided in the By-Laws.

(b) Anything to the contrary notwithstanding, during the Period of Developer's Control, the Association shall have a Managing Member. The Managing Member is hereby appointed the agent of and attorney-in-fact for the Board of Directors. The Managing Member is hereby granted the right, power and authority to act unilaterally for and in behalf of the Board of Directors, anything to the contrary notwithstanding. This office and agency of the Managing Member shall expire automatically upon the termination of the Period of Developer's Control. The initial Managing Member shall be Christopher P. Gamvroulas. The Declarant hereby reserves the right to appoint a successor Managing Member.

(c) The Board of Directors may exercise any right or privilege given to it expressly by this Declaration, or by law, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

(d) The Board of Directors shall have the rights and obligations set forth in the By-Laws.

(e) The Board of Directors shall be responsible for the management and control of the Common Area, and all improvements thereon (including furnishings and equipment related thereto), and shall keep the same in good, clean, attractive and sanitary condition, order and repair. The Board of Directors shall be responsible for repair or replacement of Common Area and shall have the exclusive right to contract for all goods, services, and insurance payments which are made for such repairs or replacement. The cost of such management, operation, maintenance, and repair by the Board of Directors shall be a Common Expense.

(f) The Board of Directors may obtain and pay for the services of any Person or entity to manage its affairs, or any part thereof, to the extent it deems advisable, as well as such other personnel as the Board of Directors shall determine to be necessary or desirable for the proper operation of the Property, whether such personnel are furnished or employed directly by the Board of Directors or by any person or entity with whom or which it contracts. The Board of Directors may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Property; the enforcement of the Project Documents. The Board of Directors may arrange with others to furnish lighting, water, snow removal, grounds maintenance and other common services. The cost of such services shall be considered a Common Expense.

(g) The Board of Directors may acquire and hold, for the use and benefit of all Owners, tangible and intangible personal property and may dispose of the same by sale or otherwise, and the beneficial interest in any such property shall be deemed to be owned by the Owners in the same proportion as their respective interests in the Subassociation.

(h) The Board of Directors may make Rules and Regulations governing the use of the Lots, Lots and Common Area, which Rules and Regulations shall be consistent with the rights and duties established in this Declaration.

(i) The Board of Directors may suspend an Owner's voting rights for the period during which such Owner fails to comply with the Project Documents. Notice of non-compliance will be sent to an Owner at least ten (10) days prior to any meeting at which action may be taken by the Board of Directors. The Board of Directors may also take judicial action against any Owner to enforce compliance with the Project Documents, with other obligations, or to obtain damages for non-compliance, all to the extent permitted by law.

(j) The Board of Directors may fine or otherwise sanction an Owner or Permittee for a violation of the Project Documents.

10. **Assessments.**

(a) Each Owner by virtue of his acceptance of a deed or other document of conveyance, whether or not it be so expressed in the instrument, hereby covenants and agrees with each other and with the Subassociation to pay to the Subassociation:

- 1) His share of the Common Expenses;
- 2) Any and all Assessments charged by the Subassociation, including by illustration but not limitation all regular Assessments, special

Assessments, Default Assessment, Individual Charges, and other fees, charges, levies and fines as provided in the Project Documents; and

3) Any and all Assessments charged by the Master Association.

Anything to the contrary notwithstanding, the Declarant is not obligated to pay Assessments on Lots it owns.

(b) The total annual Assessments against all Lots shall be based upon advance estimates of cash requirements by the Board of Directors to provide for the payment of each Owner's share of the Common Expenses and all estimated expenses growing out of or connected with the maintenance and operation of the Area of Common Responsibility, such as: expenses of management; grounds maintenance; taxes and special assessments levied by governmental authorities until the Lots are separately assessed as provided herein; premiums for all insurance which the Board of Directors is required or permitted to maintain; common utilities; water charges; trash collection; sewer service charges; repairs and maintenance; wages; legal and accounting fees; any deficit remaining from a previous period; the creation of a reasonable contingency reserve, surplus and/or sinking fund; and any other expenses and liabilities which may be incurred by the Board of Directors for the benefit of the Owners under or by reason of this Declaration.

(c) Each Lot shall be separately metered for gas and electricity. Costs of gas and electric service to the Lots shall be paid by the individual Owners. Water and sewer for individual Lots shall be separately metered. Costs for water and sewer services to the Lots shall be paid by the individual Owners. Common utilities shall be considered a Common Expense. Water, sewer, gas, electricity and garbage pick-up for Common Area may be metered separately or in combination with individual Lots.

(d) Common Expenses shall be apportioned among all Lots not owned by the Declarant equally and uniformly.

(e) Annual Assessments shall be made on a calendar year basis. The Board of Directors shall give written notice of each annual Assessment not less than thirty (30) days nor more than sixty (60) days prior to the beginning of the next calendar year. The first annual Assessment shall be for the balance of the calendar year remaining after the date fixed by the Board of Directors. Each annual Assessment shall be due and payable in monthly installments on the first day of each and every month and no separate notices of such monthly installment shall be required.

(f) In addition to annual Assessments, the Board of Directors may levy in any Assessment year a Special Assessment, payable over such a period as

the Board of Directors may determine, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of the Property or any part thereof, or for any other expense incurred or to be incurred as provided in this Declaration. This paragraph shall not be construed as an independent source of authority for the Board of Directors to incur expenses, but shall be construed to prescribe the manner of assessing for expenses authorized by other paragraphs of this Declaration. Any amounts assessed pursuant hereto shall be assessed to the Owners in proportion to their respective membership interest in the Subassociation. Notice in writing of the amount of such Special Assessments and the time for their payment shall be given as soon as is reasonably possible to the Owners. Payment shall be due on the dates and in the manner provided in the notice. Any Special Assessment or part thereof shall bear interest at a rate determined by the Board of Directors from the date it becomes due and payable if not paid within thirty (30) days after such date.

(g) All sums assessed to any Lot pursuant to this section, together with interest thereon as provided herein shall be secured by a lien on such Lot in favor of the Subassociation. Such lien shall have such priorities as established by law.

(h) To establish a lien for any unpaid Assessment, the Board of Directors shall prepare a written notice of lien as set forth by statute. No notice of lien shall be recorded until there is a delinquency in the payment of an Assessment or other monetary obligation. The sale or foreclosure shall be conducted in the same manner as foreclosures in deeds of trust or mortgages or in any other manner permitted by Utah law, including judicial or non-judicial foreclosure. The Board of Directors or an officer of the Association is hereby authorized to appoint, pursuant hereto and Utah Code Ann., Sections 57-1-1 et seq., a trustee by recording in the Office of the County Recorder of Davis County a written "Notice of Appointment of Trustee" (the "Trustee"). The Trustee is hereby granted the power of sale by which he or she may exercise and cause the property to be sold in the manner provided in Utah Code Ann., Sections 57-1-24 and 57-1-27. The lien shall also secure and the Owner shall also be required to pay to the Board of Directors any Assessments against the Lot which shall become due during the period of foreclosure sale or other legal sale. The Board of Directors may bid on the Lot at foreclosure or other sale and may acquire, hold, convey, lease, rent, encumber, use and otherwise deal with the same as the Owner thereof.

(i) A release of lien shall be executed by the Board of Directors and recorded in the office of the County Recorder of Davis County, Utah, upon payment of all sums secured by a lien which has been made the subject of a recorded notice of lien.

(j) If an encumbrancer holding a lien on a Lot pays any amounts secured by the lien created by this section, the encumbrancer shall be subrogated to all rights of the Board of Directors with respect to such lien, including priority.

(k) The Board of Directors shall report to any encumbrancer of a Lot any unpaid Assessments remaining unpaid for longer than ninety (90) days if the encumbrancer has requested in writing such notice.

(l) The amount of any Assessment against any Lot shall be the personal obligation of the Owner thereof. Suit to recover a judgment of such personal obligation shall be maintainable by the Board of Directors without foreclosing or waiving the lien securing the same. No Owner may void or diminish any personal obligation by waiver of the use and enjoyment of any of the Common Area or by abandonment of his Lot.

(m) Upon payment of a reasonable fee not to exceed Ten and No/100ths Dollars (\$10) and upon written request of any Owner, or any Mortgagee, prospective Mortgagee or prospective purchaser of an Lot, the Board of Directors shall issue a written statement setting forth the amount of unpaid Assessments, if any, with respect to such Lot; the amount of the current yearly Assessment and the portion thereof which has theretofore been paid; and credit for advanced payments or prepaid items. Such statement shall be conclusive upon the Board of Directors in favor of persons who rely thereon in good faith. Unless such request for a statement of account shall be complied with within ten (10) days, all unpaid Assessments which become due prior to the making of such request shall be subordinate to the lien of a Mortgagee which acquired its interest subsequent to requesting such statement. Where a prospective purchaser makes such a request, both the lien and unpaid Assessments and the personal obligations of the purchaser shall be released automatically if the statement is not furnished within ten (10) days, and that purchaser subsequently acquires the Lot.

(n) A purchaser of a Lot shall be jointly and severally liable with the seller for any and all unpaid Assessments against the Lot up to the time of the conveyance, without prejudice to the purchaser's right to recover from the seller the amount paid by the purchaser for such Assessments.

(o) The Board of Directors may elect to (a) terminate utilities and the right to use amenities for non-payment of Assessments and/or (b) collect rents directly from a renter after notice to the Owner, if the Owner who is renting the Lot fails to pay any Assessment for a period of more than sixty (60) days after it is due and payable,

(p) Anything to the contrary notwithstanding, any Mortgagee who obtains title to a Lot pursuant to the remedies in the mortgage or trust deed or through foreclosure will not be liable for more than six (6) months of the unpaid regularly budgeted Assessments, dues or charges accrued before acquisition of the title to the property by the mortgage, although the Mortgagee will also be liable for any reasonable attorney's fees or costs related to the collection of the unpaid dues. All other grantees who obtain title to a Lot in a voluntary conveyance or

pursuant to the remedies in a mortgage or trust deed or through foreclosure shall be jointly and severally liable with the trustor or mortgagor for all unpaid Assessments, late fees, default interest and collection costs, including a reasonable attorney's fee, against the Lot for its share of the Common Expenses up to the time of the grant or conveyance, without prejudice to the grantee's rights to recover from the trustor or mortgagor the amounts paid by the grantee.

(q) Any Assessment, fine or other monetary obligation shall bear interest at a rate to be determined by the Board of Directors from the date it becomes due and payable if not paid within thirty (30) days after such date.

(r) A late fee in a sum to be determined by the Board of Directors may be charged on any payment not received by the Subassociation within ten (10) days after its due date.

11. Use Restrictions.

11.1 Each Lot and Home is intended and restricted to be used for residential use. No Lot or Home shall be used except for residential purposes for a Single Family. Each Owner shall have and enjoy the privileges of fee simple ownership of his Lot. There shall be no requirements concerning who may own a Lot, it being intended that they may and shall be owned as any other property rights by any Person. Unless otherwise expressly and specifically noted, the Project shall be used only for residential purposes and the Common Area shall only be used in a manner consistent with the residential nature of Clubview at Cranefield.

11.2 There shall be no obstruction of Common Area by Owners or Permittees without the prior written consent of the Board of Directors. The Board of Directors may, by Rules and Regulations, prohibit or limit the use of the Common Area as may be reasonably necessary for protecting the interests of all Owners or protecting the Lots or Homes or the Common Area. Nothing shall be kept or stored on any part of the Common Area without the prior written consent of the Board of Directors, except as specifically provided herein. Nothing shall be altered on, constructed in, or removed from the Common Area except upon the prior written consent of the Board of Directors.

11.3 Nothing shall be done or kept in any Lot or Home or in the Common Area which would result in the cancellation of the insurance on the Property or increase the rate of the insurance on the Property, over what the Board of Directors, but for such activity, would pay, without the prior written consent of the Board of Directors. Nothing shall be done or kept in any Lot or Home or in the Common Area or any part thereof which would be a violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body. No damage to, or waste of, the Common Area or shall be committed by any Owner or any invitee of any Owner, and each Owner shall

indemnify and hold the Board of Directors and the other Owners harmless against all loss resulting from any such damage or waste caused by that Owner or an invitee; provided, however, that any invitee of the Declarant shall not under any circumstances be deemed to be an invitee of any other Owner.

11.4 Each Owner shall keep the exterior of his Lot or Home and the adjacent Common Area in a clean, sanitary and attractive condition, and good state of repair.

11.5 No Owner or Permittee shall violate the Rules and Regulations as adopted from time to time by the Board of Directors.

11.6 No alterations, plumbing, electrical or similar work within the Common Area shall be done by any Owner or Resident without the prior written consent of the Board of Directors, except emergency repair. No alterations, plumbing, electrical or similar work within a Lot that may affect the structural integrity of the Building or another Lot or Home shall be done by any Owner or Resident without the prior written consent of the Board of Directors, except emergency repair.

11.7 Notwithstanding anything herein to the contrary, until the Declarant has completed and sold all of the Lots or Homes, neither the Owners who have purchased Lot or Homes nor the Board of Directors shall interfere with the completion of the contemplated improvements and sale of the Lot or Homes. The Declarant may make such use of the unsold Lot or Homes and the Common Area as may facilitate such completion and sale, including but not limited to the maintenance of a sales office, the showing of the Lot or Homes, and the display of signs.

11.8 Similarly situated Owners and residents shall be treated similarly.

11.9 The rights of Owners and residents may display religious and holiday signs, symbols, and decorations on their Lot or Homes of the kinds normally displayed in residences located in single family residential neighborhoods shall not be abridged, except that the Subassociation may adopt time, place, and manner restrictions regulating displays which are visible from outside the Lot or Home. Signs, symbols and decorations generally, such as wind chimes, wreaths, dream catchers, pinwheels and so forth, may be controlled by rule and may not be installed or placed so as to be visible to or heard by other residents without the express prior written consent of the Board of Directors.

11.10 No rule shall interfere with the freedom of occupants of Lot or Homes to determine the composition of their households, except that the Declaration limits residency in a Lot or Home to a Single Family and the Subassociation shall have the power to limit the total number of occupants permitted in each Lot or Home on the basis of the size and facilities of the Lot or

Home and its fair share use of the Common Area. The Board of Directors may establish reasonable occupancy limits.

11.11 No rule shall interfere with the activities carried on within the confines of Lot or Homes, except that the Subassociation may prohibit activities not normally associated with property restricted to residential use, and it may restrict or prohibit any activities that create monetary costs for the Subassociation or other Owners, that create a danger to the health or safety of occupants of other Lot or Homes, that generate excessive noise or traffic, that create unsightly conditions visible from outside the Lot or Home, or that create an unreasonable sounds of annoyance.

11.12 No resident may operate a commercial trade or business in or from his Lot or Home with employees of any kind. No commercial trade or business may store any inventory over 250 cubic feet, and it must be contained within the Lot or Home. No commercial trade or business may be conducted in or from a Lot unless (a) the business activity conforms to all home occupation and zoning requirements governing the Project; (b) the operator has a city issued business license; (c) the business activity satisfies the Home Occupation Guidelines adopted by the Board of Directors, as they may be modified from time to time; and (d) the resident has obtained the prior written consent of the Board of Directors. Notwithstanding the foregoing, the leasing of a Lot shall not be considered a trade or business within the meaning of this subsection.

11.13 All motor vehicles, trailers, watercraft, bikes and other transportation devices of any kind as determined by the Board of Directors shall be subject to and governed by the rules and regulations adopted by the Board of Directors.

11.14 No Lot shall be used as a dumping ground. All trash, garbage, debris, rubbish or other waste shall be kept in a sealed, sanitary bag or container, and stored out of sight except for a twenty-four (24) hour period on pick-up days.

11.15 Satellite dishes, aerials, antenna, or systems may only be installed in accordance with FCC regulations taking into consideration the written guidelines established for or by the Board of Directors. The Board of Directors may bar, in its sole discretion, satellite dishes, aerials, antenna, or systems, including HAM radio antenna, not expressly authorized by FCC regulations

11.16 No pets, animals, livestock, or poultry of any kind may be commercially bred at the Property. Up to two (2) domestic pets as that term is defined by City Ordinance per Lot or Home are allowed. All pets must be properly licensed and registered. Pets may not create a nuisance. The following acts shall be considered a nuisance: (1) causing damage to the property of anyone other than the pet owner; (2) causing unreasonable fouling of the air by odors; (3) causing unsanitary conditions; (4) failing to clean-up immediately any feces and

dispose of it in a garbage can, (5) running loose throughout the Property and not in a cage or on a leash and under the control of a responsible person; (6) barking, howling, whining, or making other disturbing noises in an excessive, continuous or untimely fashion; (7) molesting or harassing passersby by lunging at them or chasing passing vehicles; (8) attacking or threatening to attack people or other domestic animals; (9) otherwise acting so as to bother, annoy or disturb the sensibilities of a reasonable person or interfering with the right of residents to the peaceful and quiet enjoyment of their property; or (10) the mere number of pets maintained creates an offensive or dangerous condition to the health, welfare or safety of other residents. The Board of Directors may require pet registration and may charge a registration fee and/or pet security deposit.

11.17 All land use and buildings shall be in compliance with all zoning and land use ordinances as well as all regulations of the municipalities and agencies governing the Property land use and buildings.

11.18 Personal property placed on a patio, deck or balcony shall be in a clean, sanitary and attractive condition, and good state of repair. Items which may be considered inappropriate or unsightly by the Board of Directors in its sole discretion, shall not be allowed.

11.19 No air conditioning systems or units are allowed except those initially installed by the Declarant and replacements authorized in writing by the Board of Directors. Window air conditioning units, swamp coolers or other similar refrigeration devices are not permitted.

11.20 All fencing that is not installed initially by the Declarant must be approved in writing by the Board of Directors in order to maintain quality of construction and the integrity of the original design scheme. Anything to the contrary notwithstanding:

a) Side yard fencing is permitted under limited circumstances, and may be denied at the discretion of the Board of Directors; and

b) Fencing along the golf course, where it abuts a lot line within the Clubview at Cranefield PRUD shall be black or green (Board of Director's choice) vinyl coated chain link fencing.

11.21 The driving, parking, standing and storing of motor vehicles and trailers in, on or about the Project shall be subject to the following:

a) The parking rules and regulations adopted by the Board of Directors from time to time;

b) Anything to the contrary notwithstanding, no parking areas, including driveways and streets, are designed for

Recreational, Commercial or Oversized motor vehicles. Recreational, oversized or commercial vehicles must be parked in the garage or on a Parking Pad located in the side or rear yard that is fenced and screened from street view.

c) No motor vehicle or trailer may be parked or stationed in such a manner so as to create a potentially dangerous situation.

d) No street parking that will interfere with snow removal is allowed.

e) No motor vehicle or trailer may be parked or stationed in such a manner so as to create an obstacle or hazard or so as to block, obstruct or impair access to a garage, walkway, driveway, Building, Lot or Home.

f) No motor vehicle or trailer may be parked or stationed in an unauthorized area.

g) Residents may not park their motor vehicles or trailers in red zones, fire lanes, or in any manner that may obstruct access by emergency vehicles.

h) Only Guests may park in parking spaces marked, designated or otherwise identified as "Guest Parking".

i) Owners and other non-Guests may not park in parking spaces marked, designated or otherwise identified as "Guest Parking".

j) No Owners or Residents shall repair or restore any vehicle of any kind in, on or about any Lot or the Common Area so as to be Visible From a Neighboring Property, except for emergency repairs, and then only for a seventy-two (72) hour period to enable movement thereof to a proper repair facility.

k) No garage may be altered in such a manner that the number of motor vehicles which may reasonably be parked therein after the alteration is less than the number of motor vehicles that could have been reasonable parked in the garage as originally designed and constructed.

l) Parking amenities shall be used solely and exclusively for the parking and storage of motor vehicles used for personal transportation. For use herein the term "for personal transportation" shall mean a vehicle driven at least every 72 hours for regular transportation and for a purpose other than merely satisfying this condition.

m) Anything to the contrary notwithstanding, access to the Property by emergency vehicles must be maintained at all times.

n) Without further or additional notice, the Subassociation may immobilize, tow and/or impound motor vehicles and trailers parked, stationed or stored in violation of the Project Documents, and at the owner's sole risk and expense. The owner of any motor vehicle so immobilized, towed or impounded hereby agrees to and shall save, indemnify and hold harmless the Association, Board of Directors and Manager from any and all loss, liability or damage he may suffer as a result, including negligence.

11.22 No noxious or offensive activity shall be carried on, in or about the Property, nor shall anything be done or permitted thereon which may be or may become an annoyance, disturbance, bother or nuisance to the neighborhood, or which might interfere with the right of other residents to the quiet and peaceful enjoyment of their property.

11.23 This Property is located by and is subject to the normal, everyday sounds, odors, and all other aspects associated with the nearby manufacturing area and an outdoor entertainment venue.

11.24 No Owner shall be permitted to lease his Lot or Home for short term, transient, hotel, vacation, seasonal or corporate use, which for purposes of this section shall be considered to include any rental with an initial term of less than six (6) months. Daily or weekly rentals are prohibited. No Owner may lease individual rooms to separate persons or less than his entire Lot or Home, including by way of illustration but not limitation to domestic help or a caretaker, without written notice to and the written consent of the Board of Directors. Any rental agreement entered into in violation of this subsection is voidable at the option of the Board of Directors and the renter may be declared "non-conforming." No renter shall be declared non-conforming without prior written notice to the Owner giving him the opportunity to be heard at an informal hearing before the Board of Directors, and to remedy the default. A non-conforming renter shall be considered a nuisance and the Subassociation may require the Owner to permanently remove the renter (and all persons claiming a right to possession by or through him) from the Property, at the Owner's sole expense. Other than as stated in this Section, there is no restriction on the right of any Owner to lease or otherwise grant occupancy rights to a Lot. The Subassociation may require that Owners use lease forms approved by the Subassociation or include specific terms in their leases, such as a Crime Free Addendum or Safe Renting Addendum, and may impose a review or administration fee on the lease or transfer of any Lot or Home.

11.25 Each Owner is strongly encouraged although not required to implement the Water-Wise Techniques.

11.26 Anything to the contrary notwithstanding, a Lot must be owner-occupied for a period of at least one (1) year after closing. For use herein, the

term "owner-occupied" shall mean a Lot occupied by one of the following: (a) The vested owner (as shown on the records of the Davis County Recorder); (b) The vested owner and/or his spouse, children or siblings; or (c) The shareholder, partner, member, trustor, beneficiary or other legal representative of an institutional owner (provided, such person holds a beneficial interest in such legal entity of at least 50%) and/or his spouse, children or parents.

12. **Capital Improvements.** All expenses for Capital Improvements shall be governed by and subject to the following conditions, limitations and restrictions:

(a) Any Capital Improvement or Addition to the Project which costs ten percent (10%) or less of the Total Annual Budget, and does not alter the nature of the Project, may be authorized by the Board of Directors alone (the "Capital Improvement Ceiling"). A major repair or a major maintenance expense shall not be considered a Capital Improvement or Addition.

(b) Any Capital Improvement, the cost of which will exceed the Capital Improvement Ceiling, must, prior to the commencement of construction, be authorized by at least a majority of the percentage of undivided ownership interest in the Common Area.

(c) Any Capital Improvement which would materially alter the nature of the Project (e.g., changing the roofing materials, the construction of the external Building surfaces, color scheme, etc.) must, regardless of its cost and prior to being constructed or accomplished, be authorized by at least sixty-seven (67%) percent of the undivided ownership interest in the Common Area.

13. **Operation, Maintenance and Alterations.** Each Lot and Home shall be maintained, repaired, and replaced in accordance with the following covenants, conditions and restrictions:

(a) The property shall be maintained in a usable, clean, functional, safe, sanitary, attractive and good condition.

(b) The Subassociation is responsible to mow the front, side and rear yards. The Owners are otherwise responsible to maintain the side and rear yard areas of his Lot, including the grass, flower and planting beds.

(c) Each Owner has the duty to make his Lot, including his front, side and rear yard areas easily accessible to the Subassociation.

(d) The Subassociation is responsible to maintain the flower and planting beds in the front yard area.

(e) No Owner or resident may change any settings on the clock or timer regulating the irrigation or sprinkling system.

(f) Each Owner is responsible to maintain his Lot in a state of good condition and to repair and replace all improvements thereon.

(g) To protect, honor and preserve the integrity and aesthetics of the Project, all landscaping within the Project, including by way of illustration but not limitation, each Entry, Entry Monument, and the perimeter fencing shall be maintained and cared for in a manner consistent with the (i) design scheme, standards of design, appearance and quality of construction originally established by Declarant and (ii) in accordance with any City landscaping maintenance plans or ordinances. All landscaping shall be maintained in a safe, sanitary, and aesthetic condition. Any weeds or diseased or dead lawn, trees, ground cover or shrubbery shall be removed and replaced. All lawn areas shall be mowed and edged; all trees, shrubs and bushes shall be pruned, trimmed and topped. No landscaping may affect adversely the value or use of any other Lot or Home, or to detract from the uniform design and appearance of the Project established by the Declarant. The Board of Directors may adopt, amend or repeal written landscaping rules, regulations, guidelines, standards, controls and restrictions from time to time.

(h) If (except in the case of an emergency) after written notice and a hearing, it is determined that any responsible party has failed or refused to discharge properly his obligation with regard to the maintenance, repair, or replacement of the real property and improvements described herein, or that the need for maintenance, repair, or replacement thereof is caused through the willful or negligent act of any person, then the Subassociation, or Board of Directors may, but is not obligated to, provide such maintenance, repair, or replacement at the defaulting or responsible party's sole cost and expense (the "Default Maintenance Cost"). The Default Maintenance Cost is the debt of such defaulting or responsible party at the time the expense is paid and shall be collectible as such. In addition, it may be considered a "Fine" against a Owner. A Fine assessed hereunder which remains unpaid after the time for appeal has expired becomes a lien against the Owner's interest in the property in accordance with the same standards as a lien for the nonpayment of Common Expenses hereunder.

(i) The Declarant may make changes to the design and construction of the improvements located in or on the Common Area without additional approval required, including without limitation the consent of the Board of Directors or Members of the Subassociation; provided, however, no Owner or Permittee may make any structural alterations to the Common Area, without the express prior written consent of the Board of Directors.

(j) No Owner shall do any work or make any alterations or changes which would jeopardize the soundness or safety of the Property, reduce its value or impair any easement or hereditament, without in every such case the unanimous written consent of all the other Owners being first had and obtained.

(k) Each Owner is responsible for the removal of ice and snow accumulations from his Lot.

14. Signs.

(a) The entry monument and sign placed within the Common Area shall be maintained by the Owners in all respects. In the event of a partial or total destruction of the sign from any cause, the Owners shall rebuild the sign to restore it to its original dimensions and conditions consistent with applicable law. The Subassociation shall have the sole and exclusive right to allocate the space on said sign for any and all purposes.

(b) Any signs comprising a part of a central directory to the Lot or Homes or business development, or individual signs attached to individual Lot or Homes shall conform in all respects to the Bylaws as administered by the Board of Directors.

(c) No signs, billboards or advertising structures or devices of any kind may be built, installed or displayed on the Property or in any Lot or Home, except one 2' x 2' "For Sale" sign may be displayed on a Lot. No "For Rent" signs or political signs are allowed.

(d) Anything herein to the contrary notwithstanding, this signage restriction does not apply to and is not binding upon the Declarant, who is expressly authorized to employ and use whatever signs or signage it deems appropriate to market its Lots or Homes.

15. Insurance.

(a) Each Owner will obtain:

(1) public liability insurance; and

(2) insurance against loss or damage by fire or other hazards for his Lot or Home, the Building in which his Lot or Home is contained, including by way of illustration but not limitation the foundation, columns, beams, girders, supports, basements, exterior surfaces and roofs, and contents. Each Owner shall provide the Subassociation with a Certificate of Insurance upon request. The insurance premium shall be an individual expense. The Owner shall obtain and keep in full force and effect at all times the required insurance coverage provided by companies duly authorized to do business in Utah. The provisions of this subsection shall not be construed to limit the power or authority of the Owner to obtain and maintain insurance coverage in addition to any insurance coverage required hereunder, in such amounts and in such forms as he may deem appropriate.

(b) The Board of Directors shall obtain and keep in full force and effect at all times the following insurance coverage provided by companies duly authorized to do business in Utah (collectively, "Master Policy").

(1) The Manager, Board of Directors or Subassociation, will obtain insurance against loss or damage by fire and other hazards for all Common Area, excluding the Lots, Lot or Homes and the Buildings in which the Lot or Homes are located. The insurance premiums shall be a Common Expense. Casualty insurance on the Property in such amounts as shall provide for full replacement thereof on the event of damage or destruction, all in the manner in which a corporation owning similar Apartments buildings would, in the exercise of prudent business judgment, obtain such insurance. Such insurance shall at a minimum include fire and extended coverage, and vandalism and malicious mischief coverage. The Board of Directors may comply with the above requirements by the purchase of blanket coverage and may elect such "deductible" provisions as in the opinion of the Board of Directors are consistent with good business practice.

(2) Broad form comprehensive liability coverage in such amounts and in such forms as it deems advisable to provide adequate protection. Coverage shall at a minimum include liability for personal injuries, operation of automobiles on behalf of the Subassociation or Board of Directors, and activities in connection with the ownership, operation, maintenance and other use of the Property.

(3) Workers' compensation or employer's liability insurance and all other similar insurance in respect to employees of the Board of Directors in the amounts and in the forms now or hereafter required by law.

(4) A fidelity bond in the amount of 150% of the Subassociation's estimated annual Common Expenses and reserves, to insure against dishonesty of employees, destruction or disappearance of money or securities, and forgery.

(c) The Board of Directors may obtain insurance against such other risks, of a similar or dissimilar nature, as it shall deem appropriate with respect to the Property, including any personal property of the Board of Directors located thereon.

(d) This Section is without prejudice to the right and obligation of each Lot or Owner to insure his own Lot or Home for his benefit.

(e) The Board of Directors may obtain insurance on the personal property and furnishings initially placed in the Lot or Homes by Declarant upon

completion of construction of the Property in such amounts as shall provide for the full replacement thereof in the event of damage or destruction from casualty.

(f) The provisions of this section shall not be construed to limit the power or authority of the Board of Directors to obtain and maintain insurance coverage in addition to any insurance coverage required hereunder, in such amounts and in such forms as the Manager, Board of Directors or Subassociation may deem appropriate.

(g) Such policies shall provide a standard, non-contributory mortgages clause in favor of each first Mortgagee which shall have given notice to the Board of Directors of such first mortgage.

(h) Each policy also shall provide that it cannot be canceled by either the insured or the insurance company until after ten days prior written notice is first given to each Owner, to Declarant, and to each first Mortgagee.

(i) All policies of insurance shall, if possible, provide that the insurance thereunder shall be invalidated or suspended only in respect to the interest of any particular Owner guilty of breach of warranty, act, omission, negligence or noncompliance with any provision of such policy, including payment of the insurance premium applicable to that Owner's interest, or who permits or fails to prevent the happening of any event, whether occurring before or after a loss, which under the provisions of such policy would otherwise invalidate or suspend the entire policy.

(j) All policies of insurance shall, if possible, provide further that the insurance under any such policy as to the interest of all other insured Owners not guilty of any such act or omission, shall not be invalidated or suspended and shall remain in full force and effect.

(k) The Board of Directors may adjust claims.

(l) If a claim is covered by a Lot Owner's policy and the Master Policy, it is the intent of the Declarant that the Lot Owner's policy be considered primary and the Master Policy secondary.

16. Casualty Damage or Destruction

(a) All of the Owners irrevocably constitute and appoint the Board of Directors their true and lawful agent in their name, place and stead for the purpose of dealing with the Property upon its damage or destruction. Acceptance of a deed from the Declarant or from any Owner shall constitute appointment of the Board of Directors as attorney in fact for the limited purposes as herein provided.

(b) As attorney in fact, the Board of Directors shall have full and complete authority, right and power to make, execute, and deliver any contract, deed or other instrument with respect to the interest of a Owner which may be necessary or appropriate to exercise the powers herein granted. Repair and reconstruction of the improvements as used in the succeeding subparagraphs means restoring the Property to substantially the same condition in which it existed prior to damage, with each Lot or Home and the Common Area having substantially the same vertical and horizontal boundaries as before.

(c) In the event any Mortgagee should not agree to rebuild, the Board of Directors shall have the option to purchase such mortgage on behalf of the Subassociation by payment in full of the amount secured thereby. The Board of Directors may obtain the funds for such purpose by Special Assessments under paragraph 7 of this Declaration.

(d) As soon as practicable after receiving estimates, the Board of Directors shall diligently pursue completion of the repair or reconstruction of the part of the Property damaged or destroyed, but only if the Property is damaged or destroyed to the extent of 75% or less than the value thereof. In the event the Property is destroyed or damaged to the extent of more than 75% of the value thereof, the Owners shall, at a meeting within one hundred (100) days after such damage or destruction duly called by the Board of Directors for the purpose, determine whether or not said premises should be rebuilt, repaired or disposed of. Unless Owners representing at least 80% of the undivided interest in the Common Area agree to the withdrawal of the Property from the provisions of the Act and this Declaration and to its subsequent disposal, the Property shall be repaired, rebuilt or restored to substantially the same condition it was in immediately prior to destruction or damage. The Board of Directors may take all necessary or appropriate action to effect repair or reconstruction, as attorney in fact for the Owners, and no consent or other action by any Owner shall be necessary in connection therewith. Such repair or reconstruction shall be substantially in accordance with the original plans and specifications of the Property or may be in accordance with any other plans and specifications the Owners may approve, provided that in such latter event the number of cubic feet and the number of square feet of any Lot or Home may not vary by more than 5% from the number of cubic feet and the number of square feet for such Lot or Home as originally constructed pursuant to the original plans and specifications, and the location of any building shall be substantially the same as prior to damage or destruction. The same easements for encroachments as declared in Section 4 shall apply under the provisions of this Section.

(e) The proceeds of any insurance collected shall be available to the Board of Directors for the purpose of repair or reconstruction. If the proceeds of insurance are insufficient to pay the estimated or actual cost of such repair or reconstruction, the Board of Directors may levy in advance a Special Assessment sufficient to provide funds to pay the estimated or actual costs of repair or

reconstruction. Such Assessment shall be allocated and collected as provided in this Declaration. Further levies may be made in like manner if the amounts collected prove insufficient to complete the repair or reconstruction.

(f) The insurance proceeds held by the Board of Directors and the amounts received from Assessments provided for in Section 7 constitute a fund for the payment of cost of repair and reconstruction after casualty. It shall be deemed that the first money disbursed in payment for cost or repair of reconstruction shall be made from insurance proceeds; if there is a balance after payment of all costs of such repair or reconstruction, such balance shall be distributed to the Owners in proportion to the contributions each Owner made pursuant to the Assessments the Board of Directors made under Section 7 of this Declaration.

(g) If 75% of the Owners and all holders of first mortgages on Lot or Homes agree not to rebuild, as provided herein, the Property may be removed from the provisions as prescribed therein. Withdrawal shall be in accordance with the Utah Statutes.

17. Duty of Owner to Pay Taxes on Lot Owned.

Each Lot and its appurtenant membership interest in the Subassociation is subject to separate assessment and taxation of each taxing authority and the special district(s) for all types of taxes and assessments authorized by law, and that as result thereof no taxes will be assessed or levied against the Property as such. Accordingly, each Owner will pay and discharge any and all taxes and assessments which may be assessed on his Lot and hold the Subassociation harmless therefrom.

18. Allocation of Profits, Losses and Voting Rights.

(a) Voting rights (subject to the provisions set forth in subsection (d) below) shall be distributed among the Lots equally and uniformly, one vote per Lot.

(b) The ownership interest in the Subassociation appurtenant to each Lot is equal and uniform.

(c) The ownership interest of each Lot and membership in the Subassociation shall have a permanent character and shall not be altered without the express affirmative consent of at least two-thirds (2/3) of the Lots memorialized in an amendment to the Declaration duly recorded.

(d) The Subassociation shall have two (2) classes of membership -- Class A and Class B -- described more particularly as follows:

1) Class A Members shall be all Owners with the exception of the Class B Members, if any.

2) Class A Members shall be entitled to vote on all issues before the Subassociation to, subject to the following:

a) Each Lot shall have one (1) vote;

b) No vote shall be cast or counted for any Lot not subject to assessment;

c) When more than one person or entity holds such interest in a Lot, the vote for such Lot shall be exercised as those persons or entities themselves determine and advise the Secretary of the Subassociation prior to any meeting. In the absence of such advice, the vote of the Lot shall be suspended in the event more than one person or entity seeks to exercise it.

3) Class B Member shall be the Declarant and any successor of Declarant who takes title for the purpose of development and sale of Lots, and who is designated as such in a recorded instrument executed by Declarant.

a) The Class B Member shall originally be entitled to three (3) votes per Lot owned; provided, however, anything to the contrary notwithstanding, the Class B Member shall never have less than one more vote than all Class A votes combined.

b) The Class B membership and the Class B Control Period shall terminate, and Class B membership shall convert to Class A membership upon the happening of the earlier of the following (which is hereinafter referred to as the "Event" or "Events"): (1) After all of the Lots have been sold or (2) when, in its sole discretion, Declarant so determines and records a written "Notice of Termination of Class B Control Period."

From and after the happening of these Events, whichever occurs earlier, the Class B Member shall be deemed to be a Class A Member entitled to one (1) vote for each Lot owned. At such time, the Declarant shall transfer control of the Subassociation in the manner described herein.

19. **Mortgagee Protection.** Notwithstanding all other provisions hereof:

(a) The liens created hereunder upon any Lot shall be subject to and subordinate to, and shall not affect the rights of the holder of the indebtedness secured by any recorded first mortgage (meaning a mortgage or a trust deed with first priority over other mortgages) where such interest was made in good faith and for value, provided that after the foreclosure of any such mortgage there may be a lien on the interest of the purchaser at such foreclosure sale to secure all Assessments made pursuant to this Declaration after the date of such foreclosure sale, which lien shall have the same effect and be enforced in the manner as

provided herein. All other mortgages shall have such rights and priorities as established by law.

(b) No amendment to this paragraph shall affect the rights of the holder of any such mortgage who does not join in the execution thereof.

(c) The consent of Eligible Mortgagees holding at least sixty seven percent (67%) of the undivided ownership interest of the Owners in Clubview at Cranefield in the Common Area and shall be required to any amendment which would terminate the legal status of Clubview at Cranefield; and the consent of Eligible Mortgagees holding at least fifty-one (51%) percent of the undivided ownership interest of the Owners in Clubview at Cranefield in the Common Area shall be required to add to or amend any material provision of this Declaration or the Final Plat which establishes, provides for, governs, or regulates any of the following, which are considered as "material":

- 1) voting rights;
- 2) increases in Assessments that raise the previously assessed amount by more than twenty-five (25%) percent, Assessment liens, or the priority of Assessments liens;
- 3) reduction in reserves for maintenance, repair, and replacement of the Common Area;
- 4) responsibility for maintenance and repairs;
- 5) reallocation of interests in the Common Area, or rights to their use;
- 6) redefinition of any Lotboundaries;
- 7) convertibility of Lots into Common Area or vice versa;
- 8) expansion or contraction of Clubview at Cranefield, or the addition, annexation, or withdrawal of property to or from Clubview at Cranefield;
- 9) hazard or fidelity insurance requirements;
- 10) imposition of any restrictions on the leasing of Lots;
- 11) imposition of any restrictions on an Owner's right to sell or transfer his Lot;

12) a decision by the Subassociation to establish self-management if professional management had been required previously by the Project Documents or by an Eligible Mortgage holder;

13) restoration or repair of Clubview at Cranefield (after damage or partial condemnation) in a manner other than that specified in the documents;

14) any provisions that expressly benefit mortgage holders, insurers or guarantors;

15) any provisions required by Utah State Department of Real Estate (or similar agency); and

(16) for any Lot with such financing, any provisions required by FHA, VA, the FHLMC or FNMA, any other federal, state or local governmental agency or a federally chartered lending institution, which in all respects shall govern and control.

(d) Any addition or amendment shall not be considered material for purposes of this Section if it is for the clarification only or to correct a clerical error.

(e) Notice of any proposed amendment to any Eligible Mortgagee to whom a written request to approve an addition or amendment to this Declaration or the Plat Final Plat is required shall be mailed postage prepaid to the address for such Mortgagee shown on the list maintained by the Subassociation. Any Eligible Mortgagee who does not deliver to the Board of Directors or the Subassociation a negative response to the notice of the proposed amendment within thirty (30) days from the date of such mailing shall be deemed to have approved the proposal. The foregoing consent requirements shall not be applicable to amendments to this Declaration and the Plat Final Plat or the termination of the legal status of the Project as a planned development if such amendments or such termination are made or accomplished in accordance with the provisions of this Declaration regarding Condemnation or Substantial Obsolescence.

20. Amendment.

(a) No provision of this Declaration reserving or granting to Declarant the Developmental Rights shall be amended without the prior express written consent of Declarant, which consent may be withheld, conditioned or delayed for any reason or for no reason at Declarant's sole and discretion.

21. Expansion or Amendment of Clubview at Cranefield.

(a) Declarant hereby reserves the option to expand Clubview at Cranefield to annex additional real estate and include additional Lots in Clubview at Cranefield. This option to expand or amend these covenants may be exercised from time to time, at different times and in any order, without limitation. Such right may be exercised without first obtaining the consent or vote of Owners and shall be limited only as herein specifically provided. Such Lots shall be constructed on any or all portions of the Additional Land.

(b) Such expansion may be accomplished by the filing for record by Declarant in the office of the County Recorder of Davis County, Utah, a Supplement or Supplements to this Declaration containing a legal description of the site or sites for new Lots, together with supplemental Final Plat or Final Plats containing the same information with respect to the new Lots as was required on the Final Plat with respect to the Lots in the initial phase. The expansion may be accomplished in phases by successive supplements or in one supplemental expansion.

(c) In the event of such expansion the definitions used in this Declaration automatically shall be expanded to encompass and refer to Clubview at Cranefield as so expanded. The term "Property" shall mean the real property initially submitted under the Declaration, plus any Additional Land added to Clubview at Cranefield by a Supplemental Declaration or by Supplemental Declarations, and reference to this Declaration shall mean this Declaration as so supplemented. All conveyances of Lots after such expansion shall be effective to transfer rights in Clubview at Cranefield, with additional references to the Supplemental Declaration and the Supplemental Final Plat. The recordation in the office of the Davis County Recorder of a Supplemental Final Plat incident to any expansion shall operate automatically to grant, transfer, and convey to then Owners of Lots in Clubview at Cranefield as it existed before such expansion the respective undivided interests in the new Common Area added to Clubview at Cranefield as a result of such expansion. Such recordation shall also operate to vest in any then mortgagee of any Lot in Clubview at Cranefield as it existed, interest so acquired by the Owner of the Lot encumbering the new Common Area added to Clubview at Cranefield as a result of such expansion.

(d) The new Lots shall be subject to all the terms and conditions of this Declaration and of a Supplemental Declaration, and the Lots therein shall be subject to ownership within a planned development with all the incidents pertaining thereto as specified herein, upon recording the Supplemental Final Plat and Supplemental Declaration in the said office of the Davis County Recorder.

(e) Each deed of a Lot shall be deemed to irrevocably reserve to the Declarant the power to appoint to Owners, from time to time, the percentages in

the Common Area set forth in a Supplemental Declaration. The proportionate interest of each Lot Owner in the Common Area after any expansion of Clubview at Cranefield shall be an undivided interest of Clubview at Cranefield as expanded. A power coupled with an interest is hereby granted to the Declarant, its successors and assigns, as attorney in fact to shift percentages of the Common Area in accordance with a Supplemental Declarations recorded pursuant hereto and each deed of a Lot in Clubview at Cranefield shall be deemed a grant of such power to the Declarant. Various provisions of this Declaration and deeds and mortgages of the Lots may contain clauses designed to accomplish a shifting of the Common Area. None of said provisions shall invalidate the other, but each shall be deemed supplementary to the other toward the end that a valid shifting of the Common Area can be accomplished. Notwithstanding anything to the contrary herein, no change in the percentage of undivided interest in the Common Area may be effected more than five (5) years after the effective date of the Declaration.

(f) Accordingly, upon the recordation of a Supplemental Declaration and Supplemental Final Plat incident to any expansion, the revised schedule of undivided interests in the Common Area contained therein shall automatically become effective for all purposes and shall fully supersede any similar schedule which was contained in any Declaration associated with any prior phase. In the event the provisions of the separate instruments relating to Clubview at Cranefield conflict irreconcilably, the terms of that instrument which was recorded most recently shall control.

(g) If Clubview at Cranefield is expanded as hereinbefore contained, then it is further provided that:

(1) All or any part of the Additional Land may be added to Clubview at Cranefield without any limitations whatsoever save and except that all additional Lots created must be restricted to multi family residential housing limited to one family per Lot.

(2) Portions of the Additional Land may be added to Clubview at Cranefield at different times without any limitations.

(3) Declarant shall have the right without further conveyance or documentation to build roads and access ways to the Additional Property through the easement areas as shown on the Final Plat. The Subassociation of Owners shall not allow anything to be built upon or interfere with said easement areas.

(4) No assurances are made concerning:

a) The locations of any improvement that may be made on any portion of the Additional Land that may be added to Clubview at Cranefield.

b) Type, kind or nature of improvement which may be created on any portion of the Additional Land, except that the common facilities, Buildings and Lots will be comparable to the facilities in the initial phase on a per Lot basis and will be of a similar quality of materials and construction in the initial phase and will be substantially completed prior to annexation.

c) Whether any Lots created on any portion of the Additional Land will be substantially identical to those within the initial Tract except that Lots will be constructed of an equal or better quality of materials and construction than the Lots in Phase I.

d) Type, size, or maximum number of Common Area which may be created within any portion of the Additional Land added to Clubview at Cranefield.

(5) Notwithstanding anything to the contrary which may be contained herein, the Declaration is not intended, and shall not be construed so as to impose upon Declarant any obligation respecting, or to restrict Declarant in any way with regard to:

(a) the submission of any portion of the Additional Land to the provisions of the Act as Land under this Declaration;

(b) the creation, construction, or addition to Clubview at Cranefield of any additional property;

(c) the carrying out in any particular way or within any particular time of any development which may be undertaken except as herein mentioned; or

(d) the taking of any particular action with respect to the Additional Land, Clubview at Cranefield, or any Land.

22. Transfer of Management.

Anything to the contrary notwithstanding, Declarant may at any time relinquish its reserved right to select the Members of the Committee and may elect to transfer the management of Clubview at Cranefield to a Committee elected by the Owners. Upon the termination of the Period of Declarant's Control, or sooner if the Declarant so elects, Declarant shall notify Owners in writing of the effective date of such transfer (the "Transfer Date"). The transfer shall be considered effective on the date of the Notice of Transfer Date letter. Thereupon, the Owners shall be obligated to call a meeting to elect the members

of the Owner controlled Board of Directors to take office as of the Transfer Date. Declarant covenants to cooperate with the Owners in effecting an orderly transition of management. The Owners covenant with the Declarant to cooperate with Declarant in effecting an orderly transition of management. Declarant shall cause all obligations for Common Expenses of the Subassociation prior to the Transfer Date to be paid in full on or before such date, and shall transfer any Subassociation funds to the newly elected Board of Directors.

23. Working Capital Fund.

A working capital fund shall be established by the Declarant equal to or greater than two (2) months' Assessments for each Lot. Each Lot's share of the working capital fund shall be paid by the buyer of a Lot, collected by the title company, and transferred to the Subassociation at the time of closing of the sale of each Lot. If the working capital contribution is paid for by the Declarant, in cash or kind, then the Declarant shall be reimbursed for such contribution by the buyer of such Lot at the time of closing. The purpose of the working capital fund is to insure that the Board of Directors will have cash available to satisfy unforeseen expenses or to acquire additional equipment or services necessary for the operation, control and regulation of Clubview at Cranefield. Sums paid into the working capital fund are not to be considered as advance payments or regular monthly payments of Common Expenses. Thereafter, the Board of Directors may continue the working capital fund by charging a reasonable transfer or impact fee when Lots are sold or rented.

24. Transfer Fee.

The Subassociation and/or Manager may charge a reasonable transfer and/or impact fee in a sum to be determined by the Board of Directors when the ownership or possession of a Lot or Home is transferred.

25. Enforcement and Right to Recover Attorneys Fees. .

(a) Should the Subassociation, Manager, Board of Directors or an aggrieved Owner be required to take action to enforce the Project Documents, or to pursue any remedy provided hereunder or by applicable law, whether such remedy is pursued by filing suit or otherwise, they may recover all Additional Charges, including a reasonable attorneys fee, which may arise or accrue.

(b) In addition, the Board of Directors may impose the following sanctions after proper notice and the opportunity to be heard:

(1) imposing Individual Charges, Default Assessments and fines, which may be secured by a lien against the Owner's interest in the Property;

(2) suspending an Owner's right to vote;

(3) suspending any Person's right to use any of the recreational amenities located in the Common Area; provided, however, nothing herein contained shall authorize the Board of Directors to limit ingress or egress to or from a Lot;

(4) requiring an Owner at his sole expense to remove any structure or improvement in the Common Area, and upon the failure of the Owner to do so, the Board of Directors or its designee shall have the right to enter the property and remove the violation and restore the property to its original condition, and such action shall not be deemed a trespass;

(5) without liability to any Person, precluding any contractor, subcontractor, agent, employee, or other invitee of an Owner who fails to comply with the Project Documents; and

(6) levying Individual Charges or a Default Assessment to cover costs and expenses incurred by the Subassociation to bring an Owner into compliance.

26. Service of Process.

Until changed by amendment to this Declaration, the name of the person to receive service of process and the place of his residence is:

Christopher P. Gamvroulas
978 East Woodoak Lane
Salt Lake City, Utah 84117

27. Indemnification.

Each member of the Board of Directors, the Managing Member, and officers of the Association shall be saved, indemnified and held harmless by the Association and Owners from and against all claims, liabilities, losses, damages, costs (including attorney's fees), expenses, awards and/or judgments, of any kind whatsoever and under any legal theory, including contract or tort, reasonably incurred by them in connection with, related to or caused by their acts or failures to act in such capacities, except for their intentional misconduct.

28. Severability.

If any provision, paragraph, sentence, clause, phrase, or word of this Declaration should under any circumstance be invalidated, such invalidity shall not affect the validity of the remainder of the Declaration, and the application of

EXHIBIT "A"**LEGAL DESCRIPTION
CLUBVIEW AT CRANEFIELD**

The Property referred to in the foregoing document as Clubview at Cranefield is located in Davis County, Utah and is described more particularly as follows:

BOUNDARY DESCRIPTION

A part of the Southwest Quarter of Section 20, Township 5 North, Range 2 West, Salt Lake Base and Meridian, U.S. Survey:

Beginning at the Southwest corner of Lot 32-R of Cranefield Estates PRUD No. 1, 1st Amendment, a subdivision in Clinton City, Davis County, Utah; said point is 562.90 feet North and 972.56 feet West from the Southeast corner of said Quarter Section; and running thence four (4) courses along the Westerly and Northerly line of said Subdivision as follows: South 60.00 feet; East 22.95 feet; South 108.00 feet and West 383.32 feet; thence North 108.00 feet; thence West 86.59 feet; thence North 23°02'40" West 212.04 feet; thence Southwesterly along the arc of a 218.38 foot radius curve to the right a distance of 64.93 feet (Long Chord bears South 75°28'25" West 64.69 feet); thence Southwesterly along the arc of a 441.57 foot radius curve to the left a distance of 45.17 feet (Long Chord bears South 81°03'41" West 45.17 feet); thence North 11°52'08" West 60.00 feet; thence North 18°06'04" West 101.47 feet; thence North 82°40'14" West 46.59 feet; thence South 75°14'09" West 44.68 feet; thence North 17°42'31" West 129.04 feet; thence Southwesterly along the arc of a 145.00 foot radius curve to the left a distance of 8.89 feet (Long Chord bears South 60°38'17" West 8.89 feet); thence South 58°52'52" West 35.81 feet; thence North 31°07'08" West 60.00 feet; thence Northeasterly along the arc of a 15.00 foot radius curve to the left a distance of 23.34 feet (Long Chord bears North 14°17'49" East 21.06 feet); thence North 30°17'14" West 94.52 feet; thence South 59°42'46" West 216.43 feet; thence North 7°25'10" West 280.07 feet; thence North 19°12'23" East 87.73 feet; thence North 83°50'44" East 153.25 feet; thence South 72°25'14" East 109.79 feet; thence South 53°39'08" East 262.70 feet; thence South 44°31'38" East 396.76 feet; thence South 2°45'14" East 28.21 feet; thence South 42°08'15" East 38.76 feet; thence South 88°10'14" East 29.57 feet; thence South 53°13'29" East 245.75 feet; thence East 94.20 feet; thence South 106.20 feet; thence East 21.00 feet to the point of beginning.

Contains 9.229 Acres

Sheet 1 of 2

EXHIBIT "B"

**BYLAWS OF THE
CLUBVIEW AT CRANEFIELD SUBASSOCIATION**

**ARTICLE I
NAME AND LOCATION**

Section 1 .01 Name and Location. The name of the Subassociation is Clubview at Cranefield Subassociation (the "Subassociation"). The principal office of the corporation shall be located at 978 East Woodoak Lane, Salt Lake City, UT 84117, but meetings of Members and Board of Directors may be held at such places within the State of Utah, as may be designated by Board of Directors.

**ARTICLE II
DEFINITIONS**

Section 2.01 Definitions. Except as otherwise provided herein or as may be required by context, all terms defined in the Declaration shall have such defined meanings when used in these Bylaws.

**ARTICLE III
MEETINGS OF MEMBERS OF THE SUBASSOCIATION**

Section 3.01 Annual Meeting. The members of the Subassociation shall meet as often as it deems reasonably necessary but not less than annually at a convenient time and place.

Section 3.02 Special Meetings. Special meetings of the Members of the Subassociation may be called at any time by the President, by a majority of the Members of the Board of Directors, or by a petition signed by $\frac{1}{4}$ of the Lots.

Section 3.03 Notice of Meetings. Written notice of each meeting of the Subassociation shall be given to each Owner by or at the direction of the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to said Owner addressed to the Owner's address last appearing on the books of the Subassociation, or supplied by such Owner to the Subassociation for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 3.04 Quorum. A majority of the Owners present in person or by proxy shall constitute a quorum for any action except as otherwise provided in the Project Documents.

Section 3.05 Proxies. At all Subassociation meetings, each Owner may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall expire, if not previously revoked, eleven (11) months after the date it is given by the Owner.

Section 3.06 Action Taken Without a Meeting. The Subassociation shall have the right to take any action in the absence of a meeting which it could take at a meeting by obtaining the written approval of all the Members. Any action so approved shall have the same effect as though taken at a meeting of the Subassociation.

ARTICLE IV BOARD OF DIRECTORS AND TERM OF OFFICE

Section 4.01 Number. The affairs of the Subassociation shall be managed by a Board of Directors comprised of three (3) natural persons. Each Member must be duly qualified and appointed or elected. During the Period of Declarant's Control, the Managing Member has been appointed as the agent of and attorney-in-fact for the Board of Directors.

Section 4.02 Replacement. If a Member resigns or is otherwise unable or unwilling to serve, then the remaining Members shall appoint a replacement to complete his term of office.

Section 4.03 Term of Office. At the first meeting of the members of the Subassociation after the termination of the Period of Declarant's Control, one member of the Board of Directors shall be elected to serve a term of one (1) year and two members of the Board of Directors shall be elected to serve a term of two (2) years. Thereafter, all members of the Board of Directors shall be elected to serve a two (2) year.

Section 4.04 Compensation. No Member shall receive compensation for any service he may render to the Subassociation as a member of the Board of Directors, although he may be reimbursed for his actual expenses incurred in the performance of his duties and may enter into an independent contract to provide other services. A Member may enter into a separate and independent contract with the Subassociation to provide additional services for a fee.

Section 4.05 Action Taken Without a Meeting. The Board of Directors shall have the right to take any action in the absence of a meeting which it could take at a meeting by obtaining the written approval of all the Members. Any action so approved shall have the same effect as though taken at a meeting of the Board of Directors.

Section 4.06 Voting. Each Member shall have one vote.

**ARTICLE V
POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

Section 5.03 Powers. The Subassociation shall have all of the powers of a Utah non-profit corporation, subject only to such limitations upon the exercise of such powers as are expressly set forth in the Articles, the Bylaws and this Declaration. The Subassociation shall have the power to perform any and all lawful acts which may be necessary or proper for, or incidental to, the exercise of any of the express powers of the Subassociation. Without in any way limiting the generality of the foregoing, the Subassociation may act through its Board of Directors and shall specifically have the powers and duties set out in this Article V, including

Section 5.03.1 Assessments. The power and duty to levy Assessments on the Owners, and to enforce payment of such Assessments in accordance with the Declaration.

Section 5.03.2 Subassociation Property. The right to own and/or lease the Subassociation Property and the duty to maintain and manage the Common Area and improvements thereon. In particular the Subassociation shall:

- (a) Maintain and repair in an attractive, safe and functional condition the Common Area;
- (b) Pay all taxes and Assessments levied upon the Common Area and all taxes and Assessments payable by the Subassociation;
- (c) Obtain any water, sewer, gas and electric services needed for the Common Area; and
- (d) Do each and every other thing reasonable and necessary to operate the Common Area and the Subassociation.

**ARTICLE VI
OFFICERS AND THEIR DUTIES**

Section 6.01 Enumeration of Officers. The officers of the Subassociation shall be a president and secretary, plus such other officers as the Board of Directors may from time to time by resolution create. The same individual may not hold the office of president and secretary at the same time. The officers need not be Members of the Board of Directors.

Section 6.02 Election of Officers. The Board of Directors shall elect or appoint officers at the first meeting of the Board of Directors during each calendar year.

Section 6.03 Term. Each officer of the Subassociation shall hold office for one (1) year unless he shall sooner resign, or shall be removed or otherwise disqualified to serve.

Section 6.04 Special Appointments. The Board of Directors may elect such other officers as the affairs of the Subassociation may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board of Directors may from time to time determine.

Section 6.05 Resignation and Removal. Any officer may be removed from office with or without cause by a majority vote of the Board of Directors. Any officer may resign at any time by giving written notice to the Board of Directors, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6.06 Vacancies. A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 6.07 President. The president shall (a) preside at all meetings of the Board of Directors, (b) see that orders and resolutions of the Board of Directors are carried out and (c) sign all contracts.

Section 6.08 Secretary. The secretary shall (a) record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Subassociation, (b) keep the corporate seal of the Subassociation and affix it on all papers requiring said seal, (c) serve notice of meetings of the Board of Directors and of the Subassociation, (d) keep appropriate current record showing the Members of the Subassociation together with their addresses and (e) perform such other duties as may be required by the Board of Directors.

ARTICLE VII COMMITTEES

Section 7.01 Committees. The Board of Directors may appoint such committees as deemed appropriate in carrying out its purpose.

ARTICLE VIII BOOKS AND RECORDS

Section 8.01 Books and Records. The books and records shall be kept with detailed accounts of the receipts and expenditures affecting Clubview at Cranefield, and the administration of Clubview at Cranefield, specifying the maintenance, repair and any other expenses incurred. The books and records, including any invoices, receipts, bills, proposals, documents, financial statements, and vouchers accrediting the entries thereupon shall be available for examination by the Owners, their duly authorized agents or attorneys, during general business hours on working days at the times and in the manner that shall be set and announced by the Board of Directors for the general

knowledge of the Owners. All books and records shall be kept in accordance with generally accepted accounting practices.

Section 8.02 Signatures. All checks, drafts, contracts, and other legally binding agreements must be signed in a manner determined by the Board of Directors.

Section 8.03 Bookkeeping. The accounting and financial statements for Subassociation must be kept and prepared by either the property manager or an independent bookkeeper or accountant, who may not be a member of the Board of Directors or an officer of the Subassociation. The accountant or bookkeeper shall prepare and file all tax returns for the Subassociation.

Section 8.04 Audit. Either a (a) majority vote of the Members of the Board of Directors or (b) majority vote of all of the Owners is necessary and sufficient to require either a Compilation Report, Reviewed Statement or Audited Statement of the Subassociation.

ARTICLE IX AMENDMENTS

Section 9.01 Amendment to Bylaws. These Bylaws may only be amended (a) unilaterally by the Declarant until the expiration of the Period of Declarant's Control or (b) the affirmative vote of a majority of the members of the Board of Directors, or (c) a majority of the Owners. In the event of a conflict between the decision of the Owners and the Board, the former shall in all respects govern and control.

Section 9.02 Conflict Between Articles, Bylaws and Declaration. In the case of any conflict between the Declaration and these Bylaws or Articles, the former shall in all respects govern and control.

ARTICLE X MISCELLANEOUS

Section 10.01 Fiscal Year. The fiscal year of the Subassociation shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

Section 10.02 Severability. If any provision, paragraph, sentence, clause, phrase, or word of these Bylaws should under any circumstance be invalidated, such invalidity shall not affect the validity of the remainder of the Bylaws, and the application of any such provision, paragraph, sentence, clause, phrase, or word in any other circumstances shall not be affected thereby.

Section 10.03 Topical Headings. The headings appearing at the beginning of the paragraphs of these Bylaws are only for convenience of reference and are not intended to

EXHIBIT "C"
WATER-WISE TECHNIQUES GUIDELINES