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ERNEST D ROWLEY, WEBER COUNTY RECORDER
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REC FOR: CANYON PARK HOMEOWNERS

**DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
AND BYLAWS
OF
CANYON PARK, INC.
A PLANNED UNIT DEVELOPMENT**

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THIS AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF CANYON PARK (hereafter "Declaration") is made on the date evidenced below by Canyon Park, Inc., Homeowners Association (hereafter "Association").

RECITALS

A. This Declaration and Bylaws attached hereto supersede and replace all prior declarations, bylaws, and amendments or supplements thereto, recorded against the subdivision or unrecorded, including the Declaration of Covenants, Conditions and Restrictions of Canyon Park, Inc., recorded April 24, 1975, as Entry No. 636299, records of Weber County Recorder, Utah, and all amendments thereto (the "Original Declaration");

B. The property subject to this Declaration is the Canyon Park subdivision in Weber County, Utah. Exhibit A of this Declaration further defines the property subject to this Declaration. All Lots therein are part of the Association and each Owner of Lot is a member thereof. The Association is created as a planned development and contains certain Common Area and easements for the benefit of the Owners of Lots therein.

C. The Association desires to continue to provide for the preservation and enhancement of the property values and improvements of the Property and to insure a uniform plan and scheme of development.

D. Pursuant to Utah Code § 57-8a-104, the undersigned hereby certifies that all of the voting requirements to amend the Declaration have been satisfied, that 67% of the voting interests of the Association have affirmatively approved the adoption of this document and that no change from the Original Declaration affecting lot boundaries or Members' voting rights has been made in this Declaration.

NOW, THEREFORE, the Association declares that the Property is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions restrictions, easements, charges and liens hereinafter set forth:

ARTICLE I - DEFINITIONS

The following words when used in this Declaration (unless the context otherwise requires) shall have the following meanings:

1.1 "Act" shall mean the Utah Community Association Act, Utah Code, Title 57, Chapter 8a, as the same shall be amended from time to time.

1.2 "Assessment" means any charge imposed or levied by the Association on or against an Owner or Lot pursuant to the terms of the Governing Documents or applicable law, including (1) annual/regular assessments; (2) special assessments; and (3) individual assessments as set forth below.

1.3 *"Association"* means and refers to the Canyon Park, Inc., Homeowners Association, and its successors.

1.4 *"Board of Directors" or "Board"* shall mean and refer to the Board of Directors of the Association.

1.5 *"Bylaws"* means the Bylaws of the Association (attached hereto as **Exhibit C**) as they may be amended from time to time.

1.6 *"Common Area"* means, refers to, and includes: (a) The real property and interests therein, excluding all Lots as defined herein, which comprise the Project; (b) All common areas and facilities designated as such elsewhere herein or on the Plat, except as otherwise stated herein; (c) All Limited Common Areas and facilities (except when the context otherwise requires for maintenance or use purposes); (d) All installations for and all equipment connected with the furnishing of the Project's utility services, such as electricity, gas, water and sewer, except as otherwise provided herein; (e) In general, all apparatus, installations and facilities included within the Project and existing for common use; (f) The Project's private roads and/or parking areas, excluding all Lots; (g) All portions of the Project not specifically included within the individual Lots; (h) All other parts of the project normally in common use or necessary or convenient to its use, existence, maintenance, safety or management; (i) All common areas as defined in the Act, whether or not enumerated herein.

1.7 *"Common Expenses"* means and refers to all sums which are required by the Board to effect the purposes of the Association and to perform or exercise its functions, duties, or rights under the Act and the Governing Documents.

1.8 *"Community"* means all of the land described in attached **Exhibit A**.

1.9 *"Community Wide Standard"* means the standard of conduct, maintenance, or other activity generally prevailing in the community, as set forth in this Declaration, the Bylaws and as defined or determined by the Board from time to time.

1.10 *"Fines"* shall mean and refer to fines levied against a Lot Owner for violations of the Governing Documents of the Association. Fines shall be enforced and collected consistent with the Act and may be collected as an unpaid assessment.

1.11 *"Governing Documents"* shall mean and refer to a written instrument by which the Association may exercise powers or manage, maintain, or otherwise affect the property under the jurisdiction of the Association, including Articles of Incorporation, Bylaws, Plat, this Declaration, rules, and architectural or design guidelines.

1.12 *"Improvements"* means every structure or improvement of any kind, including but not limited to landscaping, sprinkler pipes, Living Units, decks, porches, awnings, fences, garages, carports, driveways, storage compartments or other products of construction efforts on or in respect to the Property (but does not include any exterior antenna or satellite dish, authorized in accordance with the Declaration).

1.13 "Limited Common Areas" means all of the real property identified as limited common area herein or on the Plat, except as otherwise stated herein. Limited Common Areas are Common Areas limited to the use of certain Lots to the exclusion of other Lot Owners.

1.14 "Lot" shall mean and refer to any residential lot or parcel of land shown upon the recorded Plat, including any Improvements thereon, with the exception of the Common Area.

1.15 "Manager" or "Managing Agent" shall mean and refer to the person or entity retained by the Association to manage the Property according to the direction of the Board.

1.16 "Owner" means the record owner of fee simple title to any Lot, as shown in the records of the County Recorder, but does not include a tenant, contract purchaser, or holder of a leasehold interest or person holding only a security interest in a Lot.

1.17 "Plat" or "Plat Map" or "Record of Survey Map" (these terms may be used interchangeably herein) means the official subdivision plat map recorded in the office of the County Recorder, as the same may be amended or substituted from time to time.

1.18 "Property" or "Project" means all of the real property described in attached Exhibit A and all Lots and Common Area.

1.19 "Rules and Regulations" means and refers to those rules and regulations adopted by the Board from time to time that are deemed necessary or prudent by the Board for the enjoyment of the Property and the Community.

1.20 "Unit" or "Living Unit" or "Residence" shall mean a single-family residential dwelling unit constructed upon a Lot.

ARTICLE II - PROPERTY DESCRIPTION, RIGHTS AND EASEMENTS

2.1 Property Subject the Declaration and Bylaws. The real property which is, and shall be, transferred, held, sold, conveyed, used, occupied and improved subject to the Act and to this Declaration, the Governing Documents, and all agreements, decisions and determinations made by the Board or Association is described on Exhibit A attached hereto, which Declaration and covenants, conditions and restrictions therein shall run with the land and shall be binding upon each and every party which shall at any time have any right, title or interest in or to the Property or any part thereof, their heirs, successors and assigns, and to any other person who may in any manner use the Property or any part thereof submitted to the provisions of this Declaration, and shall inure to the benefit of each Owner thereof. To the extent that the Governing Documents are or become inconsistent with the provisions of any future amendments to the Act, the Act, as amended, shall control.

2.2 Description and Legal Status of Lots. Except as stated below, the Plat shows the Lots and building designations, their locations, dimensions from which its areas may be determined, and, together with the Definitions above, those Limited Common Areas which are reserved for such use, and the Common Areas. All Lots are residential Lots. All Lots shall be capable of being independently owned, encumbered, and conveyed.

2.3 Modifications and Additions Concerning Parking as Provided for on Plat. Information set forth on the Plat indicates the location of certain carports and open parking spaces within the Common Area and provides that the exclusive use of certain of said carports and/or open parking spaces is assigned to a specified Lot. Set forth on Exhibit B is a schedule (the "Schedule") in which appear three (3) columns. In the first column appear references to certain "parking facilities as shown on Plat." Each of the carports or open parking spaces referred to in said first column is depicted on the Plat. In the second column appears: (i) an indication that the corresponding carport or open parking space identified in the first column is eliminated, is shifted somewhat in location (together with a description, in general terms, of the new or modified location), or is not changed in either of such respects; or (ii) an indication that the carport or open parking space involved is new (i.e., in addition to the various carports and open parking spaces provided for in the Plat), together with a description, in general terms, of the location of such new carport or open parking space. (Each of the locations described in the second column of such Schedule, whether the same pertains to a location as shifted or to a new location, is within the Common Area. The size and configuration of each of the locations described in said second column is essentially the same as the size and configuration of the parking facility of the type concerned as shown on the Plat.) The third column of said Schedule sets forth a "designation or redesignation" of the corresponding parking facility dealt with in the first and/or second column, in those instances where a change is being made (i.e., a designation for each new carport or open parking space and a substituted designation for each carport or open parking space the exclusive use of which is assigned to a Lot different than that to which it was originally assigned). The exclusive use of each of the carports or open parking facilities referred to in the Schedule is assigned to that Lot which has the same number as is used in third column of said Schedule.

Notwithstanding the information set forth on the Plat, the arrangement (i.e., existence, location, and Lot to which exclusive use is assigned) relative to each of the carports and open parking spaces treated in the Schedule shall be as set forth therein. In each instance where the Schedule indicates that a particular carport or open parking space is eliminated, the former site of the carport or open parking space concerned shall merely be part of the general Common Area, with no right of exclusive use applying to such site (except to the extent that a contrary arrangement may apply as a result of information contained elsewhere in such Schedule or as a result of the following Section 2.4). In each instance where the following Schedule indicates a modified location for a particular carport or open parking space, the former site of the carport or open parking space concerned (to the extent not encompassed within the modified location) shall merely be part of the general Common Area, with no right of exclusive use applying thereto (except to the extent that a contrary arrangement may apply as a result of information contained elsewhere in such Schedule or as a result of the following Section 2.4). Except to the extent modified by this Section 2.3 and/or of the following Section 2.4, the parking arrangement which is created by and provided for in the Plat shall be and remain unchanged and in full force and effect.

Unless otherwise indicated, any reference in the first and second columns of the Schedule to a carport or open parking space refers to such carport or open parking space as shown on the Plat, without regard to any of the modifications which are provided for in this Section 2.3.

2.4 Miscellaneous Provisions Concerning Parking Areas and Exclusive Rights. The location of any particular open parking space or carport as actually created and constructed shall for all purposes control over the location therefor as shown on the Plat and/or as provided for in the foregoing Section 2.3 (as the case may be), so long as the open parking space or carport concerned is situated at approximately the same location as is contemplated therefor by the Plat and/or said Section 2.3 (as the case may be).

Certain of the carports contained within the Common Area are linked to a street or roadway by means of a driveway area or driveway-like area which is long enough to permit an automobile comfortably to be parked therein. In each instance where the exclusive use of such a carport is assigned to a particular Lot, the exclusive use of such driveway area or driveway-like area is likewise assigned to the same Lot.

Information contained in the Plat (as such information is modified by the foregoing Section 2.3) indicates that at various locations within the Common Area are situated unassigned open parking spaces for guests. Such information shall not limit the number or location of unassigned open parking spaces for guests. Unassigned open parking spaces may have been created in locations other than or in addition to those locations shown therefor on the Plat (as modified by the foregoing Section 2.3). The Board shall have the right, but not the obligation, to convert, assign and allocate unassigned open parking spaces to and for exclusive use by one or more residents and to charge a recurring fee for their use.

Whenever in this Declaration there is language referring to "a carport or open parking space, indicated on the Plat of Canyon Park Subdivision, the exclusive use of which is assigned to a certain Lot," or language of similar import, such language shall be deemed to mean and shall mean "a carport or open parking space, indicated on the Plat of Canyon Park Subdivision and/or described and provided for in Section 2.3 of this Declaration, the exclusive use of which is assigned to a certain Lot" or such similar phrase accomplishing the same result, as the context may require.

2.5 Form of Lot Conveyance - Legal Description of Lot. Each conveyance or installment 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 Record of Survey Map with appropriate reference to said Map and to this Declaration, as each shall appear on the records of the County Recorder, state of Utah, and in substantially the following form: Lot ____, Building ____ shown on the Record of Survey Map for Canyon Park subdivision, appearing in the records of the Weber County Recorder as Entry No. ____ Map No. ____, and as identified in the Declaration of Covenants, Conditions and Restrictions appearing as Entry No. ____ in Book ____ at Pages ____ of the official records of the Weber County Recorder, as may be amended, and the Plat. This conveyance is subject to the provisions of the aforementioned Declaration, including any amendments thereto.

2.6 Use and Occupancy. Except as otherwise expressly provided in this Declaration or the Bylaws, the Owner(s) of a Lot shall be entitled to the exclusive use and benefits of ownership of such Lot. Each Lot, however, shall be bound by, and the Owner shall comply with, the restrictions contained below and all other provisions of the Governing Documents of the

Association for the mutual benefit of the Owners. Street lights in the Property receive power through connection to certain Lots and the Owners of such Lots shall at all times provide and maintain power to said street lights at their own cost and expense.

2.7 Easements Reserved. In addition to the easements shown on the Plat or provided for under this Declaration, the Bylaws or law, the following easements are hereby reserved for the benefit of the Owners and the Association:

(a) **Right of Entry.** The Association and any person authorized by the Association may at any reasonable time, and from time to time at reasonable intervals, enter upon any Lot for the purpose of performing maintenance referred to herein and determining whether or not the Lot is in compliance with the Governing Documents or whether the use of the Lot is causing damage or harm to the Common Areas or Limited Common Areas. Requests for entry shall be made in advance and at a time convenient to the Owner, except in the case of an emergency, when such right shall be immediate. No such entry shall be deemed to constitute a trespass or otherwise create any right of action in the Owner of such Lot.

(b) **Utility Easements.** The Association and any public or private utility provider shall have an easement through all Lots and the Common Areas for the installation, maintenance and development of utilities and drainage facilities, as may be necessary. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may reasonably interfere with or damage utilities or drainage facilities. The easement area within each Lot and all improvements therein shall be maintained continuously by the person or entity responsible for maintenance of such Lot in accordance with the terms herein, except for those improvements for which a public authority or utility provider is responsible. Each Lot Owner shall have an easement in common with all Owners to use all pipes, wires, ducts, cables, conduits, public utility lines and other common facilities located in any of the other Lots and serving his or her Lot.

(c) **Common Areas.** All Owners are hereby granted a non-exclusive right and easement of enjoyment to the Common Areas, excluding the Limited Common Areas as defined herein.

2.8 No Encroachment. No Lot shall encroach upon an adjoining Lot without the express written consent of the Board of Directors. If, however, an encroachment occurs due to the settlement or shifting of a structure or building or any other reason whatsoever beyond the control of the Board of Directors or any Owner, there shall forthwith arise, without the necessity of any further or additional act or instrument, a good and valid easement for the maintenance of such encroachment, for the benefit of the Owner, its heirs, personal representatives and assigns, to provide for the encroachment and non-disturbance of the structure. Such easement shall remain in full force and effect so long as the encroachment shall continue.

ARTICLE III - RESTRICTIONS ON USE

3.1 Residential Use.

Lots shall be used for residential purposes in accordance with, and subject to, the other provisions of this Declaration and the Bylaws and rules and regulations adopted pursuant thereto.

Except as provided in this subsection, no trade, craft, business, profession, commercial or similar activities that causes additional pedestrian or vehicular traffic, creates a sight or noise nuisance, shall be conducted on any Lot or in any other portion of the Project.

3.2 Rentals Prohibited, Owner-Occupancy of Units Required.

3.2.1 Owner-Occupancy Required. Every occupied Unit shall be "Owner Occupied," except as provided below. Owner Occupied means non-exclusive occupancy of a Unit as a primary residence by:

- (a) The vested owner of the Unit as shown in the records of the County Recorder, if a Lot is owned by a natural person(s) (not an entity or trust);
- (b) Any trustee or beneficiary of a trust owning a Unit or any member or shareholder owning a beneficial interest of at least 50% of an LLC or corporation owning a Unit, if the trust or entity was created for estate planning purposes and was created for the estate of a current resident of the Unit; or
- (c) Any signer on a first mortgage or first trust deed encumbering a Unit.

As long as a Unit is occupied by one or more persons described in 3.2.1, the Unit shall be deemed Owner-Occupied for purposes of this Section 3.2, regardless of whoever else concurrently occupies the Unit.

3.2.2 Grandfather Status. Notwithstanding Section 3.2.1, all occupants of non-Owner Occupied Units at the time that this Amended Declaration is recorded may continue to occupy such Unit until such occupant ceases to occupy the Unit or until legal title to the Unit is conveyed, whichever first occurs, if such occupancy qualified for an exception under the Amendment to the Declaration recorded September 13, 2007, as Entry # 2291681. All Units that were not Owner Occupied at the time the Amendment to the Declaration was recorded on September 13, 2007 (Entry # 2291681), may continue to be non-Owner Occupied until ownership of the Lot is conveyed by the Owner.

3.2.3 Hardship Exemption. Notwithstanding anything herein to the contrary, in certain cases of undue hardship or extreme practical difficulties such as might occur in certain circumstances of job relocation, disability, military service, charitable service, or other similar situations, the Board shall have the exclusive discretion to approve an Owner's application to temporarily rent the Owner's Unit to a sibling, child, grandchild, parent or grandparent of a person described in 3.2.1(a) or (c), or to any person in the case of an Owner in the military who is deployed. A hardship exemption shall expire one year from issuance (except for an Owner in the military, in which case the exemption shall be for the period of the Owner's deployment), at which point the Unit, if occupied, must thenceforth be Owner Occupied unless another hardship exemption has been granted in writing. No hardship exemption shall be granted or otherwise exist unless the Unit will be and continues to be occupied by a sibling, child, grandchild, parent or grandparent of a person described in 3.2.1(a) or (c) during the period of the hardship exemption, except for a Lot Owner in the military who is deployed, in which case there is no restriction on who must occupy the Unit. Any hardship exemption granted hereunder shall be

considered a rental and shall be subject to Section 3.2.4, regardless of whether rent is exchanged.

3.2.4 Leases, Lease Agreements. In any case where a Lot Owner rents a Unit, there shall be a written lease agreement between the Owner and the lessee which must provide, among other things, that the terms of the lease shall in all respects be subject to the provisions of the Declaration, the Bylaws, and the Rules and Regulations. All lease agreements shall contain as an attachment to the lease agreement, a copy of the current Rules and Regulations of the Association. Any failure by the lessee to comply with the terms of the Governing Documents shall constitute a default under the lease and, upon notice to the Owner and a failure of the Owner to remedy violations of their lessee, the Board may require an Owner to terminate a lease agreement. If violations continue thereafter, the Association is hereby deemed an intended third-party beneficiary under the lease and is hereby appointed agent of the Owner and is entitled to initiate eviction proceedings against any such lessee. Within 10 days of a Unit being rented, the Owner must provide the Association with a copy of the signed lease agreement and the name(s) of all tenants, including the names of all individuals who will occupy the Unit, and the Owner must keep such information updated with the Association within 15 days of any change. No Unit Owner shall rent less than the entire Unit (room renting is prohibited), except in cases of hardship caused by disability of an occupant of an Owner-Occupied Unit, which exception shall be granted in the discretion of the Board.

3.2.5 Proof of Owner-Occupancy. Each Owner shall provide proof of Owner Occupancy in the form and intervals required by the Board from time to time or upon request of the Board.

3.2.6 Interpretation, Construction. All questions of interpretation or construction of any of the covenants, restrictions or terms herein shall be resolved by the Board, and its decision shall be final, binding and conclusive on all parties affected for all purposes.

3.3 *Animals.*

3.3.1. The Board shall have the express authority and right to promulgate rules, beyond those stated herein, restricting the keeping of pets.

3.3.2. Subject to Section 3.3.1, no more than two (2) dogs and two (2) cats, and no dog exceeding 26 pounds, shall be kept within the Property. The Board, in its sole discretion, may allow a dog exceeding 26 pounds by no more than 5 pounds if the dog, in the Board's opinion, is merely overweight. Those dogs living within the Property at the date of recording this Amended Declaration shall be permitted to remain. Additionally, no animals, livestock, or poultry of any kind may be raised, bred, kept or permitted within any Lot, except dogs, cats, or other household pets provided that they are not kept, bred, or maintained for any commercial purpose or in any unreasonable numbers.

3.3.3. Those animals which are permitted shall not cause any noise or disturbance that would be deemed a nuisance to other Owners or residents within the Community. Any inconvenience, damage or unpleasantness caused by such pets shall be the responsibility of the respective Owners thereof and Owners shall be responsible for immediate removal of wastes of their animals from the Common Areas and Limited Common Areas. The Owner of any dog

must keep such dog on a leash or confined within an enclosed area on the Owner's Lot or Limited Common Area. When not confined within an enclosed area, dogs and cats shall be supervised at all times by a suitably responsible person.

3.3.4. No dog shall be permitted to remain on or in a Lot or Living Unit unless a fence enclosing the patio and containing a gate is constructed and maintained on the Lot. Such fence shall be constructed within 30 days of a dog being brought on to the Property, shall require the pre-approval of the Board, and shall comply in all respects with the Architectural control provisions in Article IV below.

3.3.5. An Owner may be required to remove a pet upon receipt of a written notice from the Board given pursuant to a resolution relating to rules and regulations governing pets within the Community and enforcement of such rules and regulations and provisions of this subsection. The Board may apply for appropriate judicial relief in the event that Owners violate this Article. Any violation of this Article shall subject the Owner to a fine or fines.

3.3.6. Each Owner shall indemnify the Association, the Board and any other Owner and hold the same harmless against any claim, costs of defense of any claim, loss or liability of any kind or character whatsoever arising out of the presence of the animal in the Property.

3.4 *Offensive Activities.*

No noxious, offensive or unsightly conditions, including, but not limited to, the placement or storage of inoperable vehicles, car parts and appliances, or activities, including storage of hazardous material on or in a Lot or Unit, shall be permitted on any Lot or other portion of the Property, nor shall anything be done in or placed upon any Lot or Common Area which interferes with or jeopardizes the enjoyment of other Lots or which is a source of annoyance to residents.

3.5 *Parking of Automobiles and Other Vehicles.*

3.5.1. Campers, RVs, etc. Except as otherwise provided in this Section 3.5, parking of boats, trailers, commercial vehicles, commercial trucks, truck campers, motor homes and like vehicles and equipment shall only be allowed for periods of less than 72 hours and for no more than two separate 72 hour periods in any given month.

3.5.2. RV Parking Area. An RV parking area with very limited spaces exists upon the Property and is administered by and at the discretion of the Board. No Owner is entitled as a matter of right to a space in the RV parking area, but may be allowed to use a space, subject to availability and to the terms and conditions set forth by the Board and subject to payment of a recurring fee.

3.5.3. Guest and Overflow Parking; Parking Subject to Rules. The Board may designate certain guest parking areas as overflow parking spots for residents and charge a recurring fee for their use. The Board may adopt and amend rules to govern the parking of vehicles in the Common Areas. Any automobile, vehicle or equipment parked in violation of any rule or of this Section may be towed without further notice and the cost of such removal and any storage thereof shall be an Assessment against the Owner.

3.6 Vehicles in Disrepair.

3.6.1. No Owner shall permit any vehicle which is in an extreme state of disrepair to be abandoned or to remain parked upon any part of the Property unless such vehicle is within a garage. A vehicle shall be deemed in an extreme state of disrepair when the Board reasonably determines that its presence offends the occupants of the other Lots. The repair of vehicles is not permitted on the Property, except within an enclosed garage or as necessitated by emergency.

3.6.2. If an Owner fails to remove a vehicle deemed to be in an extreme state of disrepair within seventy-two (72) hours after the date and time on which written notice is securely placed on such vehicle or delivered to the responsible Owner by the Board, the Board may have such vehicle removed from the Property (i.e., towed) and assess the Owner the expense of such removal and any storage necessitated thereby.

3.7 Signs.

Unless written approval is first obtained from the Board, no advertisement or poster of any kind may be posted in or upon the Property except:

- (1) Security signs;
- (2) Not more than one (1) "for sale" sign, not exceeding 18 inches in height and 24 inches wide, may be temporarily placed on the inside of a window in a Living Unit;
- (3) A single political signs may be placed on the inside of a single window in a Living Unit one month before an election until the day after the election.

3.8 Antenna and Dish Policy.

Owners are encouraged to use cable service for television and internet. Satellite dishes and antennas not regulated by the FCC are prohibited. Satellite antennas, such as Direct Broadcast Satellite ("DBS") antennas/dishes one meter in diameter or less, and designed to receive direct broadcast satellite service, including direct-to-home satellite service, or receive or transmit fixed wireless signals via satellite, may be installed; provided the dish and any wires are installed so as to not be visible from the streets. If locating the dish so that it is not visible from the streets precludes reception of an acceptable quality signal, the dish shall be installed with the least visibility from the streets possible. An Owner must submit written notification to the Association at least three (3) calendar days before installing any antenna or dish that is allowed pursuant to this section. If requested by the Association, the Owner must establish a mutually convenient time to meet with a representative of the Association to review and discuss the antenna/dish. An antenna or dish governed by the FCC's Over-the-Air-Reception-Devices Rule may not be restricted by the Association so as to cause unreasonable delay in installation; unreasonably increase the cost of the equipment or its installation, maintenance, or use; or preclude reception of an acceptable quality signal. No dish may encroach upon the Common Area or the property of another Owner.

The Owner is responsible for all damage caused by or connected with the dish, for as long as the dish remains, including damage resulting from water entering a building due to the installation or existence of such antenna/dish. By installing a dish, the Owner agrees to hold the Association harmless and indemnify the Association in the event that someone is injured by the dish or from

any claim, loss, or damage arising from the installation or existence of the dish. The Owner shall keep the dish in a good and attractive condition so that it does not violate any portion of this Declaration. In the event of a violation of this Section, the Association may bring an action for declaratory and/or injunctive relief and the Owner is subject to a \$50.00 fine to the Association for each violation. If the violation is not corrected within a reasonable length of time as determined by the Board, additional fines of \$10.00 per day will be imposed for each day that the violation continues. The Association shall be entitled to recover its reasonable attorney's fees, costs and expenses incurred in the enforcement of this Section. If any provision of this Section is ruled invalid, the remainder of these rules shall remain in full force and effect. If the FCC modifies its rules, the modified rules shall be incorporated into this Section as if fully set forth herein. The terms "dish" and "antenna" are to be used interchangeably in the interpretation of the above policy.

3.9 Noise Disturbance.

Residents shall exercise extreme care to minimize noise and to use musical instruments, radios, televisions, amplifiers, or any other device so as to not disturb other residents. Noise disturbances shall subject the Owner of the Lot from which the noise originates to a fine, as levied by the Board in its sole discretion.

3.10 Rubbish and Trash.

No part of the Property may be used or maintained as a dumping ground for rubbish, trash, garbage, or any other waste. No garbage, trash, or other waste may be kept or maintained on any part of the Property except in a sanitary container as specified by the Association or within a trash enclosure screened from public view. All such waste and garbage must be promptly and periodically removed.

3.11 Unlawful Activities.

No unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed.

3.12 Clothes Lines and Materials.

No clothes lines, clothing racks, or other apparatus on which clothes, rags, or similar items are exposed for the purpose of drying or airing shall be located on the Property except within a Unit, unless in an area screened from public view. No garments, rags, laundry, or other clothing or materials shall be allowed to hang from the windows or from any of the facades or any other part of a Unit unless in an area screened from public view.

3.13 Increase in Insurance Cost.

Nothing shall be done or kept within any Lot or on the Common Areas, including Limited Common Areas, which will increase the cost of insurance to the Association or to other Owners. No Owner shall permit anything to be done or kept within his or her Lot or Common Areas which will result in cancellation of insurance on any Lot.

3.14 Association Rules and Regulations.

In addition to the restrictions and requirements above, the Board from time to time may, by

resolution, adopt, modify, or revoke such rules and regulations governing the conduct of persons and the operation and use of the Lots and Common Areas as it may deem necessary or appropriate in order to assure the peaceful and orderly use and enjoyment of the Property. Reasonable fines may be levied and collected as an assessment for violations of said rules and regulations and for violations of any restrictions contained in this Declaration. A schedule of fines may be adopted by the Board specifying the amounts of such fines, and any other provisions or procedures related to the levying of such fines.

ARTICLE IV - ARCHITECTURAL CONTROL

4.1 Modifications. No building, fence, wall or other structure shall be commenced, erected or maintained upon the Property, nor shall any exterior addition to, or change or alteration thereto, of any sort, whether structural, landscaping, cosmetic or otherwise, be made by an Owner until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board. Such approval shall be solely at the discretion of the Board as it deems appropriate from time to time. Any such request shall be deemed to have been denied if the relevant Owner, including any subsequent Owner, cannot produce the written approval granted by the Board upon request, and any changes or alterations made by an Owner, or prior Owner, shall be removed and the property restored to its original condition at the request of the Board. In the event the Board fails to approve or disapprove a request by an Owner, the request will be deemed to have been denied.

4.2 Design Guidelines. Design and construction of the Lots and Units shall be consistent with and shall comply with the procedures and criteria set forth in this Declaration and such other building and design criteria which the Board is hereby empowered to adopt (referred to as "*Design Guidelines*") to expand, clarify, and otherwise provide for the harmony and compatibility of the Improvements constructed within the Project. Design Guidelines shall also be deemed to include the requirement that the quality of all materials to be used in any construction or Improvements within the Project be equal or superior to that utilized for original construction. All builders and Owners shall comply with and are bound by the design restrictions herein and the Design Guidelines, if and when such are adopted.

ARTICLE V - MAINTENANCE OBLIGATIONS

5.1 Owner's Responsibility. Except to the extent that the Association is responsible therefor under Section 5.2, maintenance of the Lots and the Living Units shall be the responsibility of the Owner(s) thereof, who shall maintain such Lots and Living Unit in good and attractive condition and repair. Each Owner at his or her sole expense shall maintain the flower, bush and shrub planting areas contiguous and adjacent to the Living Units, and shall maintain and repair the interior of the Living Units, including each and every structural element, exterior windows, window frames, and exterior doors/door frames. Any fixture, pipe, conduit, or other utility device or apparatus that serves only one Living Unit shall be the responsibility of that Living Unit's Owner to maintain, repair, and replace. Each Living Unit and Lot shall be maintained so as to not detract from the

appearance of the Community and so as to not adversely affect the value or use of any other Living Unit or Lot.

5.2 Maintenance by Association.

The Association shall maintain the Common Areas of the Property, unless otherwise stated in this Declaration, and shall provide for such care, maintenance, repair and replacement of the following as deemed necessary or desirable by the Board to keep them attractive and generally in good condition and repair: exterior surfaces of the Living Units and the roofs, gutters and downspouts thereon (but not including glass surfaces or the replacement of glass, doors, door frames, windows, window frames and also not including sealing, repairing or otherwise fixing foundations), and the trees, shrubs, grass, walks and other landscaping on Lots, but excluding the flower, bush and shrub planting areas contiguous and adjacent to the Living Units.

To the extent not clarified herein and not inconsistent with the provisions of this Declaration, the Association may, by duly adopted Board resolution, identify and assign those areas of maintenance and responsibility that are either (1) Owner responsibilities; or (2) Association responsibilities. Such determinations shall be set forth in a Board resolution distributed to all Owners and shall be binding against all Owners.

If any area or improvement is damaged, or the need for maintenance, repair or replacement is caused, by the willful or negligent acts of an Owner, their guests, tenants, invitees or other Unit occupants, the Owner shall be responsible for the cost of required maintenance, repair or replacement and such costs shall automatically and immediately be an Assessment against such Owner.

Additionally, the Association may assume an Owner's maintenance responsibility as to a Lot and Limited Common Area the Owner is responsible for maintaining if, in the opinion of the Board, the Owner is unwilling or unable to adequately provide such maintenance. Before assuming such maintenance responsibility, the Board shall provide notice to the Owner of its intention to do so, and if such Owner has not commenced and diligently pursued remedial action with fifteen (15) days after mailing of such written notice, then the Association may proceed to maintain the Lot. The expenses of such maintenance incurred by the Association shall be reimbursed to the Association by the Owner. Such expenses shall automatically and immediately be an Assessment against such Owner.

5.3 Party Walls.

5.3.1. General Rules of Law Apply. Each wall or fence built as a part of the original construction of any Lot or Living Unit and placed substantially on a dividing line between any two Living Units or Lots shall constitute a Party Wall. In the event the Owner, or its tenant, guest or invitee, causes damage to the party wall, then the general rules of law regarding party walls and liability for damage due to negligence or willful acts or omissions shall apply thereto. The Owner of each Lot adjoining a Party Wall shall be an "Owner" of the wall for purposes of this Article.

5.3.2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a Party Wall shall be shared by the Owners in proportion to their ownership thereto.

5.3.3. Destruction by Fire or Other Casualty. If a Party Wall is destroyed or damaged by fire or other casualty, any Owner thereof may restore it, and the other Owners thereof shall contribute to the cost of restoration thereof in proportion to such ownership without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

5.3.4. Arbitration. In the event any dispute arises concerning a Party Fence or a Party Wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be by a majority of all of the arbitrators.

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

ARTICLE VI - ASSESSMENTS

6.1 *Covenant for Assessments.*

Each Owner, by acceptance of a deed hereafter conveying any Lot to it, whether or not so expressed in the deed or other conveyance, shall be deemed to have covenanted and agreed to pay the Association the following types of assessments, as provided for and defined below: Annual Assessments, Special Assessments, and Individual Assessments. All Lots shall pay an equal share of the Annual Assessments and Special Assessments. The Board shall determine whether installments of Annual Assessments are levied and collected on a monthly, quarterly, semi-annual, annual or other basis. Any member may prepay one or more installments of any Assessment levied by the Association, without premium or penalty. No member may exempt itself from liability for Assessments by abandonment of any Lot owned by such member.

6.2 *Annual Budget and Assessment.*

(a) Adoption of Budget. The Board shall prepare, or cause the preparation of, an annual budget for the Association, which shall provide, without limitation, for the maintenance of the Common Areas and for the administration, management and operation of the Association. If the Board fails to adopt an annual budget, the last adopted budget shall continue in effect.

(b) Determination of Annual Assessment.

(1) The Board shall fix the amount of the annual assessment ("Annual Assessment") against each Lot for each assessment period at least thirty (30) days in advance of the beginning of the period. Written notice of the Annual Assessments shall be sent to all members of the Association at least thirty (30) days in advance of the beginning of any assessment period, or thirty (30) days in advance of any increase in the Annual Assessment that is to take effect during any assessment period.

(2) The omission by the Board, before the expiration of any assessment period, to fix the amount of the Annual Assessment for that or the next period, shall not be deemed a waiver or modification in any respect of the provisions of this article or a release of any member from the obligation to pay the Annual Assessment, or any installment thereof, for that or any subsequent assessment period. In the event of such omission, the Annual Assessment fixed for the preceding period shall continue until a new assessment is fixed.

(3) Equitable Changes. If the Annual Assessments levied at any time are, or will become, inadequate to meet the expenses incurred by the Association for any reason, including nonpayment of any Owner's Assessments on a current basis, the Board may determine the approximate amount of the inadequacy and adopt a resolution which establishes a supplemental budget and establishes the equitable change in the amount of the Annual Assessment or Private Lane Assessment. Owners shall be given at least twenty (20) days' written notice of any changes in the amount of an Assessment.

6.3 Purpose of Assessments.

The Assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the residents of the Community, and including, but not limited to: (a) The improvement and maintenance, operation, care, and services related to the Common Areas; (b) The payment of insurance premiums; (c) The costs of utilities and other services which may be provided by the Association for the Community; (d) The cost of labor, equipment, insurance, materials, management, legal and administrative fees incurred or expended in performing the duties under this Declaration or the Bylaws; (e) The cost of funding all reserves established by the Association, including a general operating excess and a reserve for replacements as provided below; and (f) Any other items properly chargeable as a Common Expense of the Association.

6.4 Special Assessments.

In addition to the Annual Assessments authorized in this article, the Association may levy a special assessment from time to time ("Special Assessment") for the purpose of defraying, in whole or in part, the costs incurred or to be incurred by the Association which cannot be paid for through other types of Assessments. The Board may authorize a Special Assessment for any lawful purpose provided, however, that any Special Assessment greater than \$500 per Member may only be levied if it is first voted upon by the Members and: (1) the votes cast favoring the action exceed the votes cast opposing the action, and (2) a quorum of 30% of the Members participates in the vote.

6.5 Individual Assessments.

Any expenses which are not common expenses and which benefit or are attributable to fewer than all of the Lots may be assessed exclusively against the Lots affected or benefitted ("Individual Assessments"). Individual Assessments shall include, but are not limited to: (1) Assessments levied against any Lot to reimburse the Association for costs incurred in bringing the Lot or its Owner into compliance with, or to otherwise defend or uphold, or carry out, the provisions of the Governing Documents, and for fines or other charges, including attorney fees, imposed pursuant to this Declaration for violation of the Governing Documents; (2) Expenses,

other than common expenses, relating to the cost of maintenance, repair replacement and reserves of the Lots to the extent incurred by the Association.

6.6 Reserve Funds.

- (a) The Association shall establish and maintain a reserve fund for repairs and replacement of the Common Areas, for any emergency, unforeseen, unusual, or unanticipated expenditures, and for any other purpose determined from time to time by the Board by the allocation and payment to such reserve fund of an amount to be designated from time to time by the Board in its sole discretion and best business judgment or of an amount and in the manner as may be required by law. The fund shall be conclusively deemed to be a Common Expense of the Association and may be deposited with any banking institution, the accounts of which are insured by an agency of the United States of America or may, in the discretion of the Board of Directors, be invested in obligations of, or fully guaranteed as to principal by, the United States of America.
- (b) The Association may establish such other reserves for such other purposes as the Board may from time to time consider to be necessary or appropriate.
- (c) The Board's reasonable determination with respect to the amount of the reserve fund contribution shall be conclusively deemed appropriate absent intentional misconduct or gross mismanagement of Association funds. Except in such instances, individual Board members shall not be held liable for any potential or alleged under funding of the reserve account.

6.7 Fee Due on Transfer of Unit.

Each time legal title to a Lot passes from one person to another, within thirty (30) days after the effective date of such title transaction, the new Lot Owner shall pay to the Association, in addition to any other required amounts, a reinvestment fee, in the amount of \$250, or such other amount determined by the Board from time to time.

6.8 Nonpayment of Assessments.

The Annual Assessments shall be due and payable on a monthly basis on the first (1st) calendar day of each month, unless otherwise provided by the Board, and shall be delinquent if not paid by the 10th of the month or within such other period established by the Board from time to time. The due date of any Special Assessment or other Assessment shall be fixed in the resolution or document authorizing or levying the Assessment.

6.8.1. Interest. Delinquent payments shall bear interest from the eleventh (11th) day of the month, or such other date established by the Board (the "date of delinquency"), at the rate of 12% per annum, or such other rate established by the Board.

6.8.2. Late Charge. Each delinquent payment shall be subject to a late charge of Twenty-Five Dollars (\$25.00), or such other amount as determined by the Board from time to time.

6.8.3. Acceleration. If the delinquent installments of any Assessment, including an Annual Assessment, and any charges thereon are not paid in full, the Board, or its authorized agent, may declare all of the unpaid balance of the Assessment to be immediately due and

payable upon not less than ten (10) days' written notice to the Owner, and may enforce the collection of the full Assessment and all charges thereon in any manner authorized by law and this Declaration. If, however, the Assessment is accelerated and an Owner subsequently files bankruptcy or the Board otherwise decides acceleration is not in its best interest, the Board, at its option and in its sole discretion, may elect to decelerate the obligation.

6.8.4. Rent Payments by Tenant to Association. If the Owner of a Lot who is leasing the Lot fails to pay an assessment for more than 60 days after the assessment is due, the Board may demand that the tenant pay to the Association all future lease payments due to the Owner, beginning with the next monthly other periodic payment, until all amount dues to the Association are paid. Such demand to the tenant shall be made in accordance with the law and the written procedures of the Association. The Board, or its agent, shall give the Owner written notice of its intent to demand full payment from the tenant and such notice shall be made in accordance with the law and the written procedures of the Association.

6.8.5. Termination of Common Services and Facility Use. If an Owner fails or refuses to pay an assessment when due, the Board may, after giving notice and an opportunity to be heard in accordance with the law and the written procedures of the Association, terminate an Owner's right: (1) to receive any service paid as a common expense, including but not limited to utility services; and (2) of access and use of recreational facilities. If a hearing is requested, utility services or right of access and use of the recreational facilities may not be terminated until after the hearing has been conducted and a final decision has been rendered by the Board. In the event that the Association incurs costs to terminate any such utility service, the defaulting Owner shall be responsible for all such costs. Upon payment of the assessment due, including any interest, late charge, and costs of collection, the Board shall immediately take action to reinstate the terminated utility services to the Lot.

6.8.6. Other Remedies. The right of a Member to vote shall be automatically suspended during any period of delinquency, unless otherwise determined by the Board. A Board member shall become immediately ineligible to serve on the Board and automatically dismissed from such position if delinquent more than 60 days in the payment of any Assessment. The Association shall have each and every remedy for collection of assessments provided in the Utah Community Association Act, Utah Code Title 57, Chapter 8a, as amended from time to time, and the provisions of the Act shall be deemed to be fully set forth herein when required by such Act in order to exercise any such remedy.

6.9 Lien.

All Assessments imposed shall be a charge and continuing lien upon each of the Lots against which the assessment is made in accordance with the terms and provisions of this Article and shall be construed as a real covenant running with the land. In a voluntary conveyance, the grantee of a Lot shall be jointly and severally liable with the grantor for all unpaid assessments against the latter for his share of the unpaid assessments up to the time of the grant or conveyance, without prejudice to the grantee's rights to recover from the grantor the amounts paid by the grantee. The Association and each Owner of a Lot hereby conveys and warrants pursuant to U.C.A. § 57-1-20 and 57-8a-402 to the attorney of the Association, with power of

sale, each Lot and all improvements to each Lot for the purpose of securing payment of assessments under the terms of the Declaration.

6.10 Enforcement of Lien.

The Association may enforce the lien for any Assessment, including Annual, Special, Individual or otherwise, pursuant to the provisions of this Declaration. The lien is imposed upon the Lot against which the Assessment is made. The lien is established and may be enforced for damages, interest, costs of collection, late charges permitted by law, and attorneys' fees provided for in this Declaration (whether or not a legal proceeding is initiated) or by law or awarded by a court for breach of any provisions of the Governing Documents. The lien may be foreclosed judicially or non-judicially consistent with the laws of the state of Utah for the non-judicial foreclosure of Deeds of Trusts. The Association, through duly authorized agents, shall have the power to bid on the Lot at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. Upon completion of the foreclosure sale, an action may be brought by the Association or the purchaser at the sale in order to secure occupancy of the defaulting Owner's Lot, and the defaulting Owner shall be required to pay the reasonable rental value of such Lot during any period of continued occupancy by the defaulting Owner or any persons claiming under the defaulting Owner. The Association shall be entitled to the appointment of a receiver to collect the rental income or the reasonable rental value without regard to the value of the security.

6.11 Appointment of Trustee.

The Association and each Owner hereby appoints the attorney of the Association who has been retained by the Association at the time a foreclosure is initiated as trustee for the purpose of exercising the power of sale in connection with non-judicial foreclosures as provided in Title 57, Chapter 1, Utah Code and made applicable hereto by Title 57, Chapter 8a, Utah Code Ann., as may be amended from time to time.

6.12 Subordination of Lien to Mortgages.

The lien of the Assessments provided for in this article shall be subordinate to the lien of any first mortgagees or deeds of trust now or hereafter placed upon the Lot subject to assessment, except as follows: the sale or transfer of any Lot pursuant to mortgage or deed of trust foreclosure, or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. Such sale or transfer shall not relieve the Lot from liability for any Assessments thereafter becoming due, or from the lien of any future assessment.

6.13 Personal Obligation and Costs of Collection.

Assessments imposed under this Declaration, together with interest at a rate to be established by resolution of the Board, not to exceed the maximum permitted by law, and costs and reasonable attorneys' fees incurred or expended by the Association in the collection thereof (whether or not a lawsuit is initiated), shall also be the personal obligation of the Owner holding title to any Lot at the time when the assessment became due.

6.14 Duty to Pay Independent.

No reduction or abatement of Assessments shall be claimed or allowed by reason of any alleged failure of the Association or Board to take some action or perform some function required to be

taken or performed by the Association or Board under this Declaration or the Bylaws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, order or directive of any municipal or other governmental authority, the obligation to pay Assessments being a separate and independent covenant on the part of the each Owner.

6.15 Statement of Unpaid Assessment & Payoff Information.

(a) The Association shall, upon demand at any time, furnish to any Owner liable for assessment a certificate in writing signed by an officer of the Association setting forth whether Assessments has been paid. The certificate shall be conclusive evidence of payment of any assessment therein stated as having been paid. A reasonable charge up the maximum amount allowed by law may be levied in advance by the Association for each certificate so delivered.

(b) The Association may charge a fee for providing Association payoff information needed in connection with the financing, refinancing, or closing of a Lot Owner's sale of the Owner's Lot up the maximum amount allowed by law.

ARTICLE VII – THE ASSOCIATION

7.1 Organization.

7.1.1. The Association has been or will be organized as a nonprofit corporation under the nonprofit corporation laws of the state of Utah (Utah Code Annotated Titled 16 Chapter 6a, as may be amended from time to time). The Association has adopted Bylaws for the Association which are attached hereto as presently constituted.

7.1.2. The Association shall have a perpetual existence and in the event the Association is at any time dissolved, whether inadvertently or deliberately, it shall automatically be succeeded by an unincorporated association. All of the property, powers and obligations of the incorporated Association existing immediately prior to its dissolution shall thereupon automatically vest in the successor unincorporated association. However, the Board may re-incorporate the Association without a vote of the Owners. To the greatest extent possible, any successor unincorporated association shall be governed by the Articles of Incorporation and Bylaws (as the same may be amended from time to time) as if they had been drafted to constitute the governing documents of the unincorporated association.

7.1.3. The affairs of the Association shall be governed by a Board of Directors as provided in the Bylaws.

7.2 Membership. Each Owner during the entire period of Owner's ownership of one or more Lots within the Community shall be a member of the Association. The membership shall commence, exist and continue by simply virtue of the ownership, shall expire automatically upon termination of ownership and need not be confirmed or evidenced by any certificate or acceptance of membership.

7.3 Voting Rights. The method of voting shall be as provided in the Bylaws. Each Owner shall have one (1) vote in matters of the Association for each Lot owned.

7.4 Powers, Duties and Obligations. The Association shall have such powers and duties as may be granted to it or imposed by this Declaration, the Articles of Incorporation, the Bylaws and any applicable statute, as such statute may be amended to expand the scope of association powers, including without limitation:

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

(a) To the extent not assessed to or paid by the Owners directly, the Association shall pay all real property taxes and assessments levied upon any portion of the Property, provided that the Association shall have the right to contest or compromise any such taxes or assessments.

(b) The Association may employ a responsible corporation, partnership, firm, person or other entity as the Managing Agent to manage and control the Community, subject at all times to direction by the Board, with such administrative functions and powers as shall be delegated to the Managing Agent by the Board.

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

(a) The Association shall have the power and authority at any time and from time to time and without liability to any Owner for trespass, damage or otherwise, to enter into any Lot for the purpose of maintaining and repairing such Lot or any improvement thereon if for any reason the Owner fails to maintain and repair such Lot or improvement, or for the purpose of removing any improvement constructed, reconstructed, refinished, altered or maintained upon such Lot in violation of this Declaration.

The Association shall also have the power and authority from time to time in its own name, on its own behalf, or in the name and behalf of any Owner or Owners who consent thereto, to commence and maintain actions and suits to restrain and enjoy any breach or threatened breach of this Declaration or any rules and regulations promulgated by the Officers, or to enforce by mandatory injunction or otherwise all of the provisions of this Declaration and such rules and regulations.

(b) In fulfilling any of its duties under this Declaration, including its duties for the maintenance, repair, operation or administration of the Community or in exercising any of its rights to construct, maintain and repair the Common Areas, and provided that any contract for goods or services having a term of more than one (1) year shall state that it may be terminated by

either party at the end of the first year or at any time thereafter upon no less than ninety (90) days written notice, the Association shall have the power and authority (i) to pay and discharge any and all liens placed upon any Lot on account of any work done or performed by the Association in the fulfillment of any of its obligations and duties of maintenance, repair, operation or administration and (ii) to obtain, contract and pay for, or to otherwise provide for: 1. Such utility services, including (without limitation) water, sewer, trash removal, snow removal, electrical, telephone and gas services, as the Officers may from time to time deem desirable; 2. The services of architects, engineers, attorneys and certified public accountants and such other professional or nonprofessional services as the Officers may deem desirable.

(c) The Officers may delegate by resolution or contract to the Managing Agent any of its powers under this Declaration; provided, however, that the Officers cannot delegate to such Managing Agent the power to execute any contract binding on the Association for a sum in excess of Five Thousand Dollars (\$5,000.00).

(d) Telecommunications/Fiber Optic/Related Contracts. The Board shall have the power, in its own discretion and subject to federal law, to enter into, accept an assignment of, or otherwise cause the Association to comply with contracts with Telecommunication Service providers and Telecommunication Facilities owners (both, a "Telecommunication Provider"), pursuant to which the Telecommunication Provider serves as the exclusive provider of Telecommunication Services and/or Telecommunication Facilities to each Lot in the Property. The Board shall also have the power to enter into or contract on behalf of the Association for similar bulk rate service contracts of any nature deemed in the Association's best interests.

ARTICLE VIII - COMPLIANCE AND ENFORCEMENT

8.1 Compliance. Each Owner, tenant or occupant of a Lot shall comply with the provisions of this Declaration, the Bylaws and the rules and regulations adopted pursuant thereto and any applicable statute. Failure to comply therewith shall be grounds for levying of a fine and an action or suit maintainable by the Association or an aggrieved Owner.

8.2 Remedies. Violation of any provisions of this Declaration, the Bylaws, or any rules or regulations adopted pursuant thereto, or of any decision of the Association made pursuant to such documents, shall give the Board acting on behalf of the Association, the right, but not the obligation, in addition to any other rights set forth in this Declaration or the Bylaws, or under law, to do any or all of the following after giving notice:

8.2.1. Subject to the provisions of this Declaration, to enter the Lot as to which such violation exists and to summarily abate and remove, at the expense of the defaulting Owner, any structure, thing, or condition that may exist contrary to the intent and meaning of such provisions, and the Board shall not thereby be deemed guilty of any manner of trespass, provided that judicial proceedings shall be instituted before any items of construction may be altered or demolished;

8.2.2. To enjoin, abate, or remedy such thing or condition by appropriate legal proceeding;

8.2.3. To levy fines and any violation of any express rule, regulation, covenant, restriction, or term of any Governing Document of the Association shall be subject to a fine in the amount determined by the Board from time to time. A subsequent violation of the same specific type occurring within 12 months of a prior violation shall be deemed the same violation for all purposes, including the purpose of notice, and shall be subject to an immediate fine without further warning or notice;

8.2.4. To terminate the right to receive utility services paid for by assessments, if any, to terminate the right of access to and use of recreational and service facilities of the Association, if any, until the correction of the violation has occurred; or

8.2.5. To suspend the voting rights of a Member for any period not to exceed sixty (60) days (except in the case of a continuous violation) for any infraction of any of the Governing Documents;

8.2.6. Bring suit or action against the Owner on behalf of the Association and other Owners to enforce this Declaration, the Bylaws and any rules or regulations adopted pursuant thereto. The Association shall be entitled to an award of its attorneys' fees and costs in any action taken for the purpose of enforcing or otherwise implementing the terms of the Governing Documents, or for any action taken pursuant to the Governing Documents, if it prevails in such action, regardless of who instituted the action.

8.3 Action by Owners. Subject to any limitation imposed under the Governing Documents or Utah law, an aggrieved Owner may bring an action against such other Owner or the Association to recover damages or to enjoin, abate, or remedy such thing or condition by appropriate legal proceedings.

8.4 Injunctive Relief. Nothing in this section shall prevent an Owner, the Association, or other interested party from resorting to a court of competent jurisdiction in those instances where injunctive relief may be appropriate.

ARTICLE IX - INSURANCE

9.1 Types of Insurance Maintained by the Association. The Association shall obtain the following types of insurance:

(a) **Liability.** A public general liability insurance policy covering the Association, its officers, Board members and managing agents, having at least a One Million Dollar (\$1,000,000.00) limit per total claims that arise from the same occurrence or in an amount not less than the minimum amount required by applicable law, ordinance or regulation. Coverage under this policy shall include, without limitation, legal liability of the insureds for property damage, bodily injuries and deaths of persons in connection with the operation, maintenance or use of the common elements, and legal liability arising out of lawsuits related to employment contracts of the Association;

(b) **Property.** Blanket property insurance with not less than 100% of the full replacement cost for the physical structure of all attached dwellings, limited common areas appurtenant to a

dwelling on a Lot, and Common Areas in the project, insuring against all risks of direct physical loss commonly insured against, including coverage for any fixture, improvement, or betterment installed by a Lot Owner to an attached dwelling or to a Limited Common Area appurtenant to a dwelling on a Lot, including a floor covering, cabinet, light fixture, electrical fixture, heating or plumbing fixture, paint, wall covering, window, and any other item permanently part of or affixed to an attached dwelling or to a Limited Common Area;

(c) **Fidelity Insurance or Bond.** The Association shall obtain and maintain adequate fidelity coverage to protect against dishonest acts by its officers, members of the Board of Directors, employees, and all others who are responsible for handling funds of the Association, including any property manager. Such fidelity coverage shall: (i) name the Association as an obligee; (ii) not be less than the estimated maximum of funds, including reserve funds, in the custody of the Association or managing agent, as the case may be, at any given time, and shall in no event be in an amount less than three months assessments on all Lots plus reserves; (iii) contain an appropriate endorsement(s) to the policy to cover any persons who serve without compensation if the policy would not otherwise cover volunteers, and to cover the Association's management agent, if the Association has delegated some or all of the responsibility for the handling of funds to a management agent; (iv) provide that coverage may not be canceled or substantially modified (including cancellation for nonpayment of premiums) without at least ten (10) days prior written notice to the Association or any insurance trustee.

(d) **Directors and Officers (D&O) Insurance.** The Association shall purchase and maintain insurance on behalf of any person who was or is a Board member or officer of the Association, and any other person the Association is required by law or contract to indemnify, against any liability asserted against him or her or incurred by him or her in any such capacity or arising out of his or her status as such, whether or not the Association would have the power to indemnify him or her against such liability under the laws of the State of Utah, as the same may hereafter be amended or modified.

(e) **Other Insurance.** The Association shall obtain such other insurance if and to the extent required by law or as the Board deems necessary from time to time, such as workers' compensation insurance.

9.2 Acceptable Insurance Providers. The Association shall use generally acceptable insurance carriers.

9.3 Lot Owner Insurance Responsibility.

9.3.1. **Master Policy Deductible.** For covered losses to Lots, the Association's policy is primary but the Lot Owner is responsible for the deductible (which shall be an automatic Assessment against such Owner) as follows:

(a) If a loss occurs that is covered by the Association's policy and by a Lot Owner's policy, the Association's policy provides primary insurance coverage and the

Lot Owner's policy applies to that portion of the loss attributable to the policy deductible of the Association.

(b) If a Lot, or Limited Common Area or facility appurtenant to a Lot, suffers damage as part of a covered loss, the Lot Owner is responsible for an amount calculated by applying the percentage of total damage resulting in a covered loss that is attributable to unit damage for that unit to the amount of the deductible under the Association's policy. The amount of the deductible under the Association's policy shall be determined by the Board from time to time. The Association shall provide notice to the Lot Owners of any change in the amount of the deductible.

9.3.2. Homeowner Policy; Contents of Lot/Unit. Each Lot Owner shall obtain and have at all times property insurance coverage for their Lot and Unit, including coverage for the Association's policy deductible. The deductible on such Lot Owner policy shall be no more than \$500. The Association's policy does not cover the contents of a Lot or Unit or a Lot Owner's personal property.

9.3.3. Loss Due to Fault of Another. This Declaration does not prevent a person suffering a loss as a result of damage to property from asserting a claim, either directly or through subrogation, for the loss against a person at fault for the loss, except that, notwithstanding the foregoing, an insurer under a property insurance policy or liability insurance policy obtained by the Association waives the insurer's right to subrogation under the policy against: (a) any person residing with the unit owner, if the unit owner resides in the unit, and (b) the unit owner.

9.3.4. Acceptable Contractors. No work on any part of the Property, including Lots and Units, shall be performed for repair or replacement due to a covered loss except by a licensed contractor carrying adequate liability and workers compensation insurance, whether such person is hired by an Owner or the Association.

9.4 *Power of Attorney*

9.4.1. Notwithstanding any of the foregoing provisions and requirements relating to Association property or liability insurance, there may be named as an insured, on behalf of the Association, the Association's authorized representative, including any trustee with whom the Association may enter into any insurance trust agreement (the "Insurance Trustee") who shall have exclusive authority to negotiate losses under any policy providing property or liability insurance and to perform such other functions as are necessary to accomplish this purpose. By purchasing a Lot, all Owners appoint the Association or any Insurance Trustee designated by the Association as attorney-in-fact for the purpose of purchasing and maintaining the insurance specified in this section, including: (1) the collection and appropriate disposition of the proceeds thereof; (2) the negotiation of losses and execution of releases of liability; (3) the execution of all documents; and (4) the performance of all other acts necessary to accomplish such purpose.

9.4.2. By purchasing a Lot, all Owners appoint the Association or any trustee designated by the Association as attorney-in-fact for the purpose of representing the Owners in condemnation proceedings or negotiations, settlements, and agreements with the condemning authority for acquisition of the Common Areas, or part thereof, by the condemning authority.

ARTICLE X - AMENDMENT AND DURATION

10.1 *Amendments.*

10.1.1. How Proposed. Amendments to the Declaration shall be presented to the Membership for approval by the President after either a majority of the Board requests it or upon receiving a written request signed by Owners holding thirty percent (30%) or more of the voting rights of the Association. The proposed amendment must be reduced to writing and shall be included in the notice of any meeting at which action is to be taken thereon or attached to any request for approval or consent to the amendment.

10.1.2. Approval Required. This Declaration may be amended if such amendment is approved by Owners holding sixty percent (60%) of the voting rights of the Association.

10.1.3. Execution and Recordation. An amendment shall not be effective until the amendment is certified by the president of the Association as being adopted in accordance with this Declaration is acknowledged and is recorded in the appropriate County Recorder's Office.

10.2 *Duration.* All provisions, covenants, conditions and restrictions contained in this Declaration shall continue and remain in full force and effect until there is recorded an instrument directing the termination of this Declaration after the vote and approval of seventy-five percent (75%) of all of the Owners of the Lots. Any such termination shall become effective only if a certificate of the president and secretary of the Association, certifying that termination as of a specified termination date has been approved in the manner required herein, is duly acknowledged and recorded in the County Recorder's Office not less than six (6) months prior to the intended termination date.

ARTICLE XI - MISCELLANEOUS PROVISIONS

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

11.2 *Recovery of Costs and Attorney Fees.* The Association shall be entitled to recover its costs and attorney's fees incurred for enforcement of this Declaration regardless of whether any lawsuit or other action is commenced. Such costs and attorney's fees shall automatically be and constitute an assessment against the Owner and the Lot. Additionally, the prevailing party shall be entitled to its attorney fees and costs in any dispute concerning any Governing Document, including an action dealing with the declaration of rights and obligations thereunder with or without a defaulting party, whether such costs and expenses are incurred with or without suit; before or after judgment; in any appeal; in any bankruptcy or receivership proceeding; or in connection with any alternative dispute resolution proceeding.

11.3 Joint Owners. In any case in which two or more persons share the ownership of any Lot, regardless of the form of ownership, the responsibility of such persons to comply with this Declaration shall be a joint and several responsibility and the act or consent of any one or more of such persons shall constitute the act or consent of the entire ownership interest; provided, however, that in the event such persons disagree among themselves as to the manner in which any vote or right of consent held by them shall be exercised with respect to a pending matter, any such person may deliver written notice of such disagreement to the Board, and the vote or right of consent involved shall then be disregarded completely in determining the proportion of votes or consents given with respect to such matter in accordance with the Bylaws.

11.4 Lessees and Other Invitees. No damage to, or waste of the Common Areas or any part thereof shall be committed by any Owner or any Unit occupant, guest, invitee, lessee of any Owner, and each Owner shall indemnify and hold the Board and the other Owners harmless against all loss resulting from any such damage or waste caused by any such person. Lessees, invitees, guests, Unit occupants, contractors, family members and other persons entering the Property under rights derived from an Owner shall comply with all of the provisions of the Governing Documents restricting or regulating the Owner's use, improvement or enjoyment of such Owner's Lot and other areas within the Property. The Owner shall be responsible for obtaining such compliance and shall be liable for any failure of compliance by such persons in the same manner and to the same extent as if the failure had been committed by the Owner.

11.5 Waiver, Precedent and Estoppel. No restriction, condition, obligation or provision contained in this Declaration or rules and regulations adopted pursuant hereto shall be deemed to have been abrogated or waived by the Association, the Board or any Owner by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur and any failure to enforce the same shall not be deemed to constitute precedent or estoppel impairing the right of the Association, Board or Owner as to any similar matter.

11.6 Interpretation. All questions of interpretation or construction of any of the covenants or restrictions in this Declaration shall be resolved by the Board, and its decision shall be final, binding and conclusive on all parties affected for all purposes.

11.7 Premises Liability. From the time that the Common Area, or any portion thereof, is opened and put into use for the enjoyment of Owners, the Association shall be and remain wholly free and clear of any and all liability to, or claims by, all Owners, and all persons and entities, of whatever kind or character, whether sounding in contract or tort, deriving from the occurrence of any injury or damage to any person or property on, or in respect of the use and operation of, the Common Area or any of its improvements, fixtures, and facilities, and an Owner shall defend, indemnify and hold harmless the Association against such claim, loss or liability asserted by such Owner or his or her guest, invitee, licensee, tenant, or visitor. In this respect, it shall be the affirmative duty and responsibility of each Owner and user of the common area facilities to continuously inspect the same for any defects or perils or other unsafe conditions or circumstances, prior to and during such use or enjoyment thereof; and all users of, and visitors to, the common area and its improvements and facilities shall use, enjoy, and visit, the same at their own risk and peril.

11.8 Notice of Intent to Sell and of Sale, Mortgage or Lease. Prior to making a Lot available for sale, the Owner shall notify the Board of the Owner's intention to sell the Lot. The Owner shall provide any real estate agent and prospective purchaser with a copy of each and every Governing Document of the Association. Prior to closing on the sale of a Lot, the Owner shall schedule a meeting between the Board and the purchaser. The purchaser shall be required to sign a statement that they have received and understand the Governing Documents. Immediately upon the sale, mortgage, rental, or lease of any Lot, the Owner shall promptly inform the secretary or manager of the name and address of said grantee, vendee, mortgagee, lessee, or tenant. The Board may for all purposes act and rely on the information concerning Owners and Lot ownership which is thus acquired by it and the address of each Owner shall be deemed for all purposes to be the address of the Lot owned by such Owner unless the Board is otherwise advised in writing.

IN WITNESS WHEREOF, the Association has executed this Declaration this 6 day of May, 2013.

CANYON PARK, INC., HOMEOWNERS ASSOCIATION
a Utah nonprofit corporation

Norman B. McCormick
By:
Its President

STATE OF UTAH)
County of Weber)ss:

On the 17th day of May, 2013, personally appeared before me Norman B. McCormick, who being by me duly sworn did that say that they are the President of the Association and that said instrument was signed and sealed in behalf of said Association by authority of its Board of Directors; and acknowledged said instrument to be their voluntary act and deed.

Camille C. McCormick
Notary Public for Utah

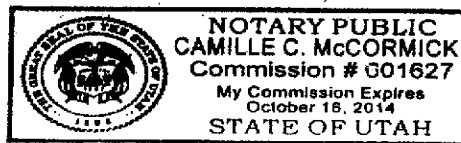


EXHIBIT A
(LEGAL DESCRIPTION)

All Lots, CANYON PARK subdivision, according to the official plat thereof recorded with the office of the Weber County Recorder, state of Utah.

Parcel/Serial Numbers: 13-149-0001 - 0021
13-148-0001 - 0024
13-150-0001 - 0023

EXHIBIT B

Parking Facility Modifications
(from 1977 Second Amendment to Declaration)

<u>Parking Facility as Shown on Plat</u>	<u>Manner in Which Parking Facility Altered, or Position of Added Facility</u>	<u>Designation or Redesignation of Facility</u>
(a) Carport No. 1	Unchanged	Carport No. 2
(b) Carport No. 2	Unchanged	Carport No. 1
(c) Carport No. 4	Unchanged	Carport No. 5
(d) Carport No. 5	Unchanged	Carport No. 4
(e) Carport No. 6	Unchanged	Carport No. 7
(f) Carport No. 7	Unchanged	Carport No. 6
(g) Carport No. 8	Unchanged	Carport No. 9
(h) Carport No. 9	Unchanged	Carport No. 8
(i) Carport No. 10	Unchanged	Carport No. 11
(j) Carport No. 11	Unchanged	Carport No. 10
(k) Carport No. 14	Unchanged	Carport No. 15
(l) Carport No. 15	Unchanged	Carport No. 14
(m) Carport No. 16	Unchanged	Carport No. 17
(n) Carport No. 17	Unchanged	Carport No. 16
(o) Carport No. 18	Unchanged	Carport No. 19
(p) Carport No. 19	Unchanged	Carport No. 18
(q) Carport No. 24	Unchanged	Carport No. 25
(r) Carport No. 25	Unchanged	Carport No. 24
(s) Carport No. 26	Location shifted South-westerly (set back farther from road)	Carport No. 27
(t) Carport No. 27	Location shifted South-westerly (set back farther from road)	Carport No. 26
(u) Carport No. 29	Location shifted South-westerly (set back farther from road)	Same (Carport No. 29)
(v) Carport No. 30	Location shifted North-westerly (away from Lot No. 30) and Northeastly (set back farther from road)	Carport No. 31
(w) Carport No. 31	Location shifted North-westerly (away from Lot No. 30) and Northeastly (set back farther from road)	Carport No. 30
(x) Carport No. 32	Location shifted North-easterly (set back farther from road), North-westerly (closer to Lot No. 33), and so as to make end lines parallel with Southwesterly boundary of Lot No. 34	Carport No. 33
(y) Carport No. 33	Location shifted North-easterly (set back farther from road), Southeastly (farther away from Lot No. 33), and so as to make end lines parallel with South-westerly boundary of Lot No. 34	Carport No. 32

<u>Parking Facility as Shown on List</u>	<u>Manner in Which Parking Facility Altered, or Position of Added Facility</u>	<u>Designation or Redesignation of Facility</u>
(z) Open Parking Space (Unassigned) Adjoining Carport No. 33	Eliminated	-----
(aa) -----	New carport -- adjoining Southeasterly side of the carport (as location is shifted) identified in item (y) above	Carport No. 32
(bb) Open Parking Space (Unassigned) Adjoining Carport No. 34	Converted to carport (location unchanged)	Carport No. 35
(cc) Open Parking Space (Unassigned) Adjoining parking facility identified in item (bb) above	Converted to carport (location unchanged)	Carport No. 35
(dd) Carport No. 35	Unchanged	Carport No. 34
(ea) Carport No. 36	Location shifted North- westerly (set back farther from road)	Carport No. 37
(ff) Carport No. 37	Location shifted North- westerly (set back farther from road)	Carport No. 36
(gg) Open Parking Space (Unassigned) Adjoining Carport No. 38	Converted to carport (location unchanged)	Carport No. 39
(hh) Open Parking Space (Unassigned) Adjoining parking facility identified in item (gg) above	Converted to carport (location unchanged)	Carport No. 39
(ii) Carport No. 39	Unchanged	Carport No. 38
(jj) Carport No. 40	Location shifted South- westerly (toward lot No. 41) and Southeasterly (set back farther from road)	Carport No. 41
(kk) Carport No. 41	Unchanged	Carport No. 40

<u>Parking Facility as Shown on Plat</u>	<u>Manner in Which Parking Facility Altered, or Position of Added Facility</u>	<u>Designation or Redesignation of Facility</u>
(ll) Carport No. 42	Unchanged	Carport No. 43
(mm) Carport No. 43	Unchanged	Carport No. 42
(nn) Carport No. 44	Unchanged	Carport No. 45
(oo) Carport No. 45	Unchanged	Carport No. 44
(pp) Carport No. 45	Location shifted North-easterly (closer to Lot No. 47), Southeasterly (set back farther from road), and so as to make side lines parallel with Westerly boundary of Lot No. 47	Carport No. 47
(qq) Carport No. 47	Location shifted North-easterly (closer to Lot No. 47), Southeasterly (set back farther from road), and so as to make side lines parallel with Westerly boundary of Lot No. 47	Carport No. 46
(rr) Carport No. 49	Unchanged	Carport No. 48
(ss) Open Parking Space No. 49	Converted to carport (location unchanged)	Carport No. 49
(tt) -----	New carport -- adjoining Easterly side of parking facility identified in item (ss) above	Carport No. 49
(uu) Carport No. 50	Unchanged	Carport No. 51
(vv) -----	New carport -- adjoining Easterly side of carport identified in item (uu) above	Carport No. 50
(ww) -----	New carport -- adjoining Easterly side of new carport described in item (vv) above	Carport No. 50
(xx) Open Parking Space No. 50	Eliminated	-----
(yy) Open Parking Space No. 51	Eliminated	-----
(zz) Carport No. 52	Location shifted so as to make end lines parallel with Southerly boundary of Lot No. 53	Carport No. 53
(aaa) Open Parking Space No. 52	Converted to carport (location unchanged)	Carport No. 52

<u>Parking Facility as Shown on Plat</u>	<u>Manner in Which Parking Facility Altered, or Position of Added Facility</u>	<u>Designation or Redesignation of Facility</u>
(bbb) Carport No. 53	Location shifted so as to make end lines parallel with Southerly boundary of Lot No. 53	Same (Carport No. 53)
(ccc) Open Parking Space No. 53	Converted to carport (location unchanged)	Carport No. 52
(ddd) Carport No. 54	Location shifted South-westerly (set back farther from road)	Carport No. 55
(eee) Carport No. 55	Location shifted South-westerly (set back farther from road)	Carport No. 54
(fff) -----	New open parking space -- immediately East of Lot No. 54, with side lines parallel to Easterly boundary of Lot No. 54, and with end line adjoining road	Open Parking Space No. 54
(ggg) Carport No. 56	Unchanged	Carport No. 57
(hhh) Carport No. 57	Unchanged	Carport No. 56
(iii) Carport No. 60	Unchanged	Carport No. 61
(jii) Carport No. 61	Unchanged	Carport No. 60
(kkk) Carport No. 62	Unchanged	Carport No. 63
(lll) Carport No. 63	Unchanged	Carport No. 62

EXHIBIT C
BYLAWS
OF
CANYON PARK, INC., HOMEOWNERS ASSOCIATION

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ARTICLE 1 - DEFINITIONS

The definitions contained in or adopted by the Declaration shall be applicable to these Bylaws.

ARTICLE 2 - MEETINGS OF ASSOCIATION

- 2.1 **Place of Meeting.** The Association shall hold meetings at such suitable place as may be designated by the Board within the county of Weber, state of Utah.
- 2.2 **Annual Meetings.** Each regular annual meeting of the members shall be held each year on the day, time and place within the county of Weber, state of Utah selected by the Board.
- 2.3 **Special Meetings.** The Association, by and through the Board, shall notice, hold and conduct a special meeting of its members (1) on call of the President or two or a majority of the

Board, or (2) if the Association receives one or more written demands for the meeting that state the purpose or purposes for which the meeting is to be held, and are signed and dated by members in good standing holding at least 25% of the voting rights of the Association. When a special meeting is demanded by the members, the Board shall set the time and date for the meeting so that the meeting occurs within 65 days of receipt of the demand and if notice of the meeting is not given by the Board within 30 days after the date the written demand is delivered to an Association officer, a person signing the demand may set the time and place of the meeting and give notice pursuant to the requirements herein. Business transacted at a special meeting shall be confined to the purposes stated in the notice of the meeting.

2.4 Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, in a fair and reasonable manner, including by delivering a copy of such notice to each member entitled to vote thereat in accordance with the notice requirements specified in Section 11.1 of these Bylaws and elsewhere herein and sufficiently in advance of the meeting to provide fair and reasonable notice of the meeting, as determined by the Board. Notice shall always be deemed fair and reasonable if given 10 days before the meeting, but shorter notice may also be fair and reasonable when all the circumstances are considered. The notice shall specify the place, day and hour of the meeting, and must include a description of any matter that must be approved by the members and, in the case of a special meeting, the purpose of the meeting.

2.5 Voting. Each Lot shall be allocated one vote.

2.6 Proxies and Absentee Ballots. A vote may be cast in person, by proxy or by absentee ballot. A proxy given by an Owner to any person who represents the Owner at meetings of the Association shall be in writing, dated and signed by such Owner and shall be filed with the secretary in accordance with procedures adopted by resolution of the Board. No proxy shall be valid after the meeting for which it was solicited, unless otherwise expressly stated in the proxy; however, no proxy may be valid for more than eleven (11) months after the date of execution. No proxy shall be valid if it purports to be revocable without notice. An Owner may not revoke a proxy given except by actual notice of revocation to the person presiding over a meeting of the Association, or to the Board if a vote is being conducted by written ballot in lieu of a meeting. Every proxy shall automatically cease upon sale of the Lot.

2.7 Fiduciaries and Joint Owners.

(a) Fiduciaries. An executor, administrator, guardian, or trustee may vote in person or by proxy, at any meeting of the Association with respect to any Lot owned or held in such capacity, whether or not the same shall have been transferred to his or her name; provided, that the person shall satisfy the secretary that he or she is the executor, administrator, guardian, or trustee holding the Lot in such capacity.

(b) Joint Owners. Whenever any Lot is owned by two or more persons jointly, according to the records of the Association, the vote of the Lot may be exercised by any one of the Owners then present, in the absence of protest by a co-owner. In the event of a protest, no one co-owner shall be entitled to vote without the approval of all co-owners. In the event of

disagreement among the co-owners, the vote of the Lot shall be disregarded completely in determining the proportion of votes given with respect to the matter.

2.8 Quorum of Owners.

(a) At any regular annual meeting of the Association, the Members that are represented for any purpose at the annual meeting shall constitute a quorum, except for matters requiring a higher quorum as provided in the Declaration or these Bylaws. For any other meeting of the Association or action taken without a meeting, and except as otherwise provided in the Declaration or these Bylaws, Members holding one-third (1/3) of the voting rights, represented in person, by proxy, or by written ballot, shall constitute a quorum.

(b) The subsequent ratification of an Owner of the action taken at a meeting shall constitute the presence of the person for the purpose of determining a quorum. When a quorum is once present to organize a meeting it cannot be broken by the subsequent withdrawal of an Owner or Owners.

(c) If any meeting or vote of Members cannot be organized because of a lack of quorum, the Members who are present may adjourn the meeting to a time at least 48 hours from the time of the meeting at which a quorum was not present and Members holding twenty percent (20%) of the voting rights, represented in person, by proxy, or by written ballot, shall constitute a quorum at such adjourned meeting or vote.

2.9 Binding Vote. Action on a matter other than the election of directors is approved and shall be binding upon all owners for all purposes if a quorum exists and the votes cast favoring the action exceed the votes cast opposing the action, unless a greater number of affirmative votes is required by law or the Governing Documents.

2.10 Order of Business. The order of business at annual meetings of the Association shall be according to the order established by the President, and by way of example, may include the following: (a) Calling of the roll and certifying of proxies; (b) Proof of notice of meeting or waiver of notice; (c) Reading of minutes of the preceding meeting; (d) Reports of officers; (e) Reports of committees, if any; (f) Election of Board members; (g) Unfinished business; (h) New business; and (i) Adjournment.

2.11 Meeting Procedure. Rules of order may be adopted by resolution of the Board, otherwise, the President shall conduct meetings according to the procedure he or she deems fit. A decision of the Association may not be challenged on the basis that appropriate rules of order were not used.

2.12 Action by Written Ballot in Lieu of a Meeting. Any action that may be taken at any annual, regular, or special meeting of Members may be taken without a meeting if the Association causes to be delivered a written ballot to every Member entitled to vote on the matter not less than fifteen (15) days prior to the date on which the ballots must be received by the Association in order to be counted. A written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written ballot

pursuant to this section shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. All solicitations for votes by written ballot shall indicate the number of responses needed to meet the quorum requirements; state the percentage of approvals necessary to approve each matter other than election of directors; specify the time by which a ballot must be received by the Association in order to be counted; and be accompanied by written information sufficient to permit each person casting such ballot to reach an informed decision on the matter. In the event the action is for election of Board members, there shall be space on the ballot to write in nominations. Action taken under this section has the same effect as action taken at a meeting of Members and may be described as such in any document. The Board may elect to conduct a vote pursuant to this section by a secrecy procedure whereby a written ballot is accompanied by: (1) a secrecy envelope; (2) a return identification envelope to be signed by the owner; and (3) instructions for marking and returning the ballot. Written ballots that are returned in secrecy envelopes may not be examined or counted before the deadline for returning ballots has passed.

2.13 Action without Notice and a Meeting. Any action required to be taken or which may be taken at a meeting of Members may be taken without a meeting and without prior notice if one or more consents in writing, setting forth the action so taken, are signed by Members having not less than the minimum voting power that would be necessary to authorize or take the action at a meeting at which all Members entitled to vote on the action were present and voted. All such writings must be received by the Association within a sixty day period. Any such writing may be received by the Association by electronically transmitted facsimile or other form of communication providing the Association with a complete copy thereof, including a copy of the signature thereto. Action taken pursuant to this section shall be effective when the last writing necessary to effect the action is received by the Association, unless the writings describing and consenting to the action set forth a different effective date.

ARTICLE 3 – BOARD OF DIRECTORS – SELECTION, TERM OF OFFICE

3.1 Number, Term and Qualifications.

(a) The affairs of the Association shall be governed by a Board of Directors composed of seven (7) Board members.

(b) Members of the Board shall serve for a term of three (3) years. The terms shall be staggered so at least two Board members are elected each year.

(c) A Board members must be an Owner, Co-Owner, or the spouse of an Owner of a Lot, except that a husband and wife and Co-Owners may not serve on the Board at the same time. A representative of an entity which owns a Lot, and only one such representative, may serve on the Board, such that a shareholder of a corporation, a member of an LLC, a trustee or beneficiary of a trust, may serve on the Board if the corporation, LLC, or trust owns a Lot. A Board member and Board member candidate may not be delinquent more than 60 days in the payment of any Assessment.

3.2 Vacancies. Vacancies on the Board, caused by any reason other than the removal of a Board member by a vote of the Association, shall be filled for the balance of the term by vote of a majority of the remaining Board members even though they may constitute less than a quorum. Each person so elected shall be a Board member until a successor is elected upon expiration of the term for which the person was elected by the other Board members to serve.

3.3 Removal of Board Members.

(a) At any annual or special meeting, any one or more of the Board members, other than interim Board members, may be removed, with or without cause, by a majority of the voting interests of the Members. A successor may be elected at that meeting to fill the vacancy thus created. The notice of the meeting must state that the removal is to be considered and any Trustee whose removal has been proposed by the owners may be given an opportunity to be heard at the meeting.

(b) The Board may declare the office of a member of the Board to be vacant in the event such member is absent from three consecutive regular meetings of the Board or from more than 25% of the regular meetings held in any 12 month period. As provided in the Declaration, a Board member shall become immediately ineligible to serve on the Board and automatically dismissed from such position if delinquent more than 60 days in the payment of any Assessment. A vacancy shall be filled as provided in Section 3.2 above.

3.4 Compensation. No Board member shall receive compensation for any service he or she may render to the Association as a Board member. However, any Board member may be reimbursed for actual expenses incurred in the performance of his or her duties.

3.5 Action Taken Without a Meeting. The Board shall have the right to take any action in the absence of a meeting which they could take at a regular or special meeting if all the Board members agree in writing to take a vote or an action without a meeting. The action being taken shall not require unanimous consent of the Board. Any action so taken shall have the same effect as though taken at a meeting of the Board members.

ARTICLE 4 - NOMINATION AND ELECTION OF BOARD MEMBERS

4.1 Nomination.

(a) Method of Nomination. Nomination for election to the Board shall be made in the manner determined by the Board, which may include a Nominating Committee and/or nominations from the floor at a meeting. If one is established, the Nominating Committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not less than the number of vacancies.

(b) Nominating Committee. The Nominating Committee, if any, shall consist of a chairman, who shall be a member of the Board; and one or more members of the Association.

4.2 Election. At the election, the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration.

The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE 5 - MEETINGS OF THE BOARD OF DIRECTORS

5.1 Organizational Meeting.

(a) Location, Date and Time. The first meeting of a newly-elected Board shall be held within fourteen (14) days of election at such place, date and time as shall be fixed by the Board members at the meeting at which the Board members were elected and no notice shall be necessary to owners or to the newly elected Board members in order to legally hold the meeting providing a majority of the elected Board members are present.

(b) Procedure and Business. Until the election of new officers, the meeting shall be chaired by the outgoing president, or in the absence of such person, the outgoing secretary, regardless of whether the outgoing president or secretary is a member of the newly constituted Board. At the organizational meeting, the Board shall elect officers in accordance with Section 7.2 below and may conduct any other Association business.

5.2 Regular Meetings. Regular meetings of the Board shall be held at such place and hour as may be fixed from time to time by the Board, and if so fixed, no notice thereof need be given. Should the meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday, or at another date and time agreed upon by the Board with notice to all members of the Board.

5.3 Special Meetings. Special meetings of the Board shall be held when called by the president of the Association, or by any two (2) Board members, after not less than three (3) days notice to each Board member by mail, electronic mail, telephone, or facsimile, unless waived pursuant to 5.7 below. The notice must state the time, place, and purpose of the meeting.

5.4 Meeting Procedure. Unless other rules of order are adopted by resolution of the Board: (a) Meetings of the Board shall be conducted by the President; (b) A decision of the Board may not be challenged because the appropriate rules of order were not used; (c) A decision of the Board is deemed valid without regard to any procedural errors related to the rules of order unless the error appears on the face of a written instrument memorializing the decision.

5.5 Open Meetings; Executive Sessions.

5.5.1 Open Meetings. Except as provided in subsection 5.5.2, all meetings of the Board shall be open to Lot Owners. However, no Owner shall have a right to participate in the Board meeting unless the Owner is also a member of the Board. The president or Board shall have the authority to exclude an Owner who disrupts the proceedings at a Board meeting.

5.5.2 Executive Sessions. In the discretion of the Board, the following matters may be considered in executive session:

(a) Consultation with legal counsel concerning the rights and duties of the Association regarding existing or potential litigation or criminal matters;

- (b) Personnel matters, including salary negotiations and employee discipline;
- (c) The negotiation of contracts with third parties;
- (d) Collection of unpaid assessments; and
- (e) Other matters of a sensitive, private, or privileged nature at the discretion of the Board.

5.5.3 Executive Session Procedure. Except in the case of an emergency, the Board shall vote in an open meeting whether to meet in executive session. If the Board votes to meet in executive session, the president or other presiding officer shall state the general nature of the action to be considered and, as precisely as possible, when and under what circumstances the deliberations can be disclosed to owners. The statement, motion or decision to meet in executive session must be included in the minutes of the meeting.

5.6 Meetings by Telephonic or Electronic Communication. In the event of an emergency, or by decision of the Board, meetings of the Board may be conducted by telephonic communication or by the use of a means of communication that allows all members of the Board participating to hear each other simultaneously or otherwise to be able to communicate during the meeting.

5.7 Waiver of Notice. Any Board member may, at anytime, waive notice of any meeting of the Board in writing, and the waiver shall be deemed equivalent to the giving of the notice. Attendance by a Board member at any meeting of the Board shall constitute a waiver of notice by the Board member, except where the Board member attends the meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. If all Board members are present at any meeting of the Board, no notice to Board members shall be required and any business may be transacted at the meeting.

5.8 Quorum and Acts. At all meetings of the Board a majority of the existing Board members shall constitute a quorum for the transaction of business and the acts of the majority of the Board members present shall be the acts of the Board. If, at any meeting of the Board, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice.

For purposes of determining a quorum with respect to a particular proposal, and for purposes of casting a vote for or against a particular proposal, a Board member may be considered to be present at a meeting and to vote if the Board member has granted a signed written proxy: (i) to another Board member, or other person, who is present at the meeting; and (ii) authorizing the other Board member or person to cast the vote that is directed to be cast by the written proxy with respect to the particular proposal that is described with reasonable specificity in the proxy (a directed proxy).

ARTICLE 6 - POWERS, RIGHTS, AND DUTIES OF THE BOARD

6.1 General Powers and Duties. The Board shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not

by law, the Declaration or by these Bylaws directed to be exercised and done by the Owners.

6.2 Specific Powers. In addition to powers granted by the Declaration, these Bylaws or by resolutions of the Association, the Utah Revised Nonprofit Corporation Act or other applicable law, the Board shall have the power to, in the Board's discretion, appoint such committees as deemed appropriate in carrying out its purposes.

6.3 Best Interest of Association and Reliance on Information. A Board member or officer shall discharge the Board member or officer's duties (a) in good faith, (b) with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and (c) in a manner the Board member or officer reasonably believes to be in the best interests of the Association. The Board members shall, at all times, keep themselves reasonably informed and take such steps and necessary actions as a reasonable, prudent person would do to serve the best interest of the Association.

In discharging duties, a Board member or officer is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by: (a) one or more officers or employees of the Association whom the Board member or officer reasonably believes to be reliable and competent in the matters presented, (b) legal counsel, a public accountant, or another person as to matters the Board member or officer reasonably believes are within the person's professional or expert competence, or (c) in the case of a Board member, a sub-committee of the Association or Board of which the Board member is not a member if the Board member reasonably believes the sub-committee merits confidence.

ARTICLE 7 - OFFICERS AND THEIR DUTIES

7.1 Designation and Qualification.

(a) Designation. The principal officers of the Association shall be a president, a vice-president, a secretary and a treasurer. The Board may designate the office of assistant treasurer and assistant secretary and the Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

(b) Qualifications. The officers shall be Board members.

(c) Multiple Offices. A person may simultaneously hold more than one office.

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

7.2 Election and Vacancies. The officers of the Association may be elected by the Board at the organizational meeting of each new Board or any Board meeting thereafter to serve until their respective successors are elected at the next organizational meeting. If any office becomes vacant by reason of death, resignation, removal, disqualification or any other cause, the Board shall elect a successor to fill the unexpired term.

7.3 Resignation. Any officer may resign at any time by giving written notice to the Board,

the president or the secretary. The resignation shall take effect on the date of receipt of the notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of the resignation shall not be necessary to make it effective.

7.4 Removal of Officers. Officers shall hold office at the pleasure of the Board. Upon an affirmative vote of a majority of the members of the Board any officer may be removed, either with or without cause.

7.5 Compensation of Officers. No officer who is a member of the Board may receive any compensation from the Association for acting as an officer, unless the compensation is authorized by a vote of the Owners. The Board may fix any compensation to be paid to any officers who are not also Board members.

7.6 Duties of Officers. Officers shall have such duties prescribed with respect to the office by the Declaration, Bylaws, and by the Board, to the extent not inconsistent with these Bylaws or the Declaration. The Board may delegate any powers or duties of officers to other persons or agents as the Board deems necessary or appropriate from time to time. Any principal officer may prepare, execute, certify, and record amendments to the Declaration on behalf of the Association in accordance with the amendment provisions of the Declaration. The general duties of the officers are as follows:

(a) President. The president shall be the chief executive officer of the Association. He or she shall preside at all meetings of the Association and of the Board. The president shall have all of the general powers and duties which are usually vested in the office of president of an association. The president shall have the authority to sign all leases, mortgages, deeds and other written instruments, including amendments to the Governing Documents.

(b) Vice-President. The vice-president shall act in the place and stead of the president in the event of the president's absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required by the Board. The Vice-President shall likewise have the authority to sign all leases, mortgages, deeds and other written instruments.

(c) Secretary. The secretary shall prepare and maintain the minutes of all meetings of the Board and the minutes of all meetings of the Association, have charge of such books, papers and records as the Board may direct, shall have the responsibility for preparation and maintenance other records and information required to be kept by the Association under the Act and under Section 16-6a-1601 of the Utah Revised Nonprofit Corporation Act; and for authenticating records of the nonprofit corporation, and in general, shall perform all of the duties incident to the office of secretary,

(d) Treasurer. The treasurer shall have responsibility for the Association's funds and securities not otherwise held by a managing agent, and shall be responsible for causing full and accurate accounts of all receipts and disbursements to be kept in books belonging to the Association. The treasurer shall be responsible for causing the deposit of all monies and other valuable effects in the name and to the credit of the Association in such depositories as may, from time to time, be designated by the Board and disbursing funds as directed by resolution of

the Board.

ARTICLE 8 - INDEMNIFICATION OF OFFICERS AND BOARD MEMBERS

Each officer and Board member of the Association, in consideration of his or her services, shall be indemnified by the Association to the extent permitted by the Utah Revised Nonprofit Corporation Act (regardless of the Association's corporate status or lack thereof) against expenses and liabilities reasonably incurred by him or her in connection with the defense of any actual or threatened action, suit or proceeding, civil or criminal, to which he or she may be a party by reason of being or having been a Board member or officer of the Association. The foregoing right to indemnification shall not be exclusive of any other rights to which the Board member or officer or person may be entitled by law or agreement or vote of the members or otherwise.

ARTICLE 9 - RECORDS AND AUDITS

The Association shall maintain within the state of Utah, all documents, information and other records of the Association in accordance with the Declaration, these Bylaws and the Utah Revised Nonprofit Corporation Act.

9.1 General Records.

(a) The Board and managing agent or manager, if any, shall keep records of the actions of the Board and managing agent or manager; minutes of the meetings of the Board; and minutes of the meeting of the Association.

(b) The Board shall maintain a Book of Resolutions containing the rules, regulations, and policies adopted by the Association and Board.

(c) The Board shall maintain a list of Owners. The list of Owners may specify whether the Owner is an Owner in Good Standing or a Suspended Owner.

(d) The Association shall retain within this state, all records of the Association for not less than the period specified in applicable law.

9.2 Assessment Roll. The assessment roll shall be maintained in a set of accounting books in which there shall be an account for each Lot. The account shall designate the Lot number, the name and address of the Owner or Owners, the amount of each Assessment against the Owners, the dates and amounts in which the Assessment comes due, the amounts paid upon the account, and the balance due on the Assessments.

9.3 Financial Reports and Audits.

(a) An annual report of the receipts and expenditures of the Association and a balance sheet showing assets and liabilities shall be rendered by the Board to all Owners and to all mortgagees of Lots who have requested the same in writing within ninety (90) days after the end of each fiscal year.

(b) From time to time, the Board, at the expense of the Association, may obtain an audit by a certified public accountant or other financial review of the books and records pertaining to the Association and furnish copies thereof to the Owners and mortgagees of Lots.

9.4 Inspection of Records by Owners.

(a) Except as otherwise provided in Section 9.5 below, all records of the Association shall be reasonably available for examination by an Owner and any mortgagee of a Lot pursuant to rules adopted by resolution of the Board or if no such resolution has been adopted, pursuant to the Utah Revised Nonprofit Corporation Act.

(b) The Board shall maintain a copy, suitable for the purposes of duplication, of the following: (1) The Declaration, Bylaws and any amendments in effect or supplements thereto, and rules and regulations of the Association; (2) The most recent financial statement prepared pursuant to Section 9.3 above; and (3) The current operating budget of the Association.

(c) The Association, within five (5) business days after receipt of a written request by an owner, shall furnish the requested information required to be maintained under Subsection (b) of this section, subject to a reasonable fee for furnishing copies of any documents, information or records described in this section. The fee may include reasonable personnel costs incurred to furnish the information.

(d) The Board, by resolution, may adopt reasonable rules governing the frequency, time, location, notice and manner of examination and duplication of Association records and the imposition of a reasonable fee for furnishing copies of any documents, information or records described in this section. The fee may include reasonable personnel costs incurred to furnish the information.

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

(a) Personnel matters relating to a specific identified person or a person's medical records.

(b) Contracts, leases and other business transactions that are currently under negotiation to purchase or provide goods or services.

(c) Communications with legal counsel that relate to matters specified in this section, and any other communications with legal counsel that are protected by any privilege, including the attorney client privilege.

(d) Disclosure of information in violation of law.

(e) Documents, correspondence or management or Board reports compiled for or on behalf of the Association or the Board by its agents or committees for consideration by the Board in executive session held in accordance with these Bylaws.

(f) Documents, correspondence or other matters considered by the Board in executive session held in accordance with these Bylaws and the minutes of any executive

session.

(g) Files of individual Owners, other than those of a requesting Owner or requesting mortgagee of an individual Owner, including any individual Owner's file kept by or on behalf of the Association.

ARTICLE 10 - AMENDMENTS

Approval of a majority of the voting rights of the Members is required for approval of any amendment to these Bylaws, except that the approval of members representing at least 60% of the total voting rights of the Association shall be required for any material change to the Bylaws pertaining to voting rights. An amendment shall not be effective until certified by the president of the Association as being adopted in accordance with these Bylaws, acknowledged, and recorded with the County Recorder's Office. No action to challenge the validity of an adopted amendment may be brought more than two (2) years after the amendment is recorded.

ARTICLE 11 - MISCELLANEOUS

11.1 Notices.

11.1.1 Association. All notices to the Association or the Board shall be sent care of the managing agent or, if there is no managing agent, to the principal office of the Association or to such other address as the Board may hereafter designate from time to time.

11.1.2 Owners.

(a) Notice by Electronic Means. In any circumstance where notice is required to be given to the Members, the Association may provide notice by electronic means, including text message, email, or an Association website, if the Board deems the notice to be fair and reasonable. A Member may require the Association, by written demand, to provide notice to the Member by mail. The Board is authorized to promulgate rules and procedures facilitating the implementation of this section as it deems fit from time to time, including requiring members to furnish the Association with a current email address.

(b) Except as otherwise provided in the Declaration, these Bylaws or law, all notices to any Owner shall be sent to such address as may have been designated by him or her, from time to time, in writing to the Board, or if no address has been designated, then to the Owner's Lot.

(c) If a Lot is jointly owned, notice shall be sent to a single address, of which the secretary has been notified in writing by such parties. If no address has been given to the secretary in writing, then mailing to the Lot shall be sufficient.

11.2 Affairs, Electronic Means. Any transaction or action involving the business or affairs of the Association, including but not limited to voting and providing notice or records, may be conducted by electronic means. The Association may accept a vote, consent, written ballot, waiver, proxy appointment, or proxy appointment revocation as the act of the member if the

Board does so in good faith and has no reason to believe it is not the act of the member. A writing may be delivered in an electronic medium or by electronic transmission, and may be signed by photographic, electronic, or other means. An electronic record or electronic signature is attributable to a person if it was the act of the person. An electronic signature may consist of a mark, symbol, character, letter, or number or any combination thereof attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record and the same shall be considered the signature of such person. A writing includes any document, record, vote, ballot, proxy, or instrument required or permitted to be transmitted by a Member or by the Association.

11.3 Waiver, Precedent and Estoppel. No restriction, condition, obligation, or provision contained in these Bylaws or rules and regulations adopted pursuant hereto shall be deemed to have been abrogated or waived by the Association by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur and any failure to enforce the same shall not be deemed to constitute precedent or estoppel impairing the right of the Association as to any similar matter.

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

11.5 Fiscal Year. The fiscal year of the Association shall be determined by the Board.

11.6 Conflicts. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

IN WITNESS WHEREOF, the Association has caused these Bylaws to be executed by its duly authorized officers on this 6th day of MAY, 2013.

(Sign): *Norman B. McCarty*
 (Print Name): NORMAN B. MCCARTY, President

(Sign): *Karen Wright*
 (Print Name): KAREN WRIGHT, Secretary