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**DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS FOR
THE RIDGE AT KNIGHTS COURT HOMEOWNERS ASSOCIATION**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS ("Declaration") FOR THE RIDGE AT KNIGHTS COURT HOMEOWNERS ASSOCIATION ("The Ridge") is made on the date evidenced below.

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RECITALS

- A. The Ridge is a duly formed and organized subdivision in Davis County, Utah, which is more particularly described on Exhibit "A" attached hereto (the "Property").
- B. Declarant desires and intends to protect the value and desirability of the Property as a harmonious and attractive residential community. Therefore, the Property will be subject to the following covenants, conditions, restrictions, and easements, which, along with the Association's Articles and Bylaws, provide for a governance structure and a system of standards and procedures for development, maintenance, and preservation of the Property as a residential community.
- C. This project is not a cooperative.

DECLARATION

Declarant hereby declares that all of the Property described in Exhibit "A" shall be held, sold, conveyed and occupied subject to the following covenants, conditions, restrictions, easements, assessments, charges and liens, and to the Plat recorded concurrently herewith. This Declaration and the Plat shall be construed as covenants of equitable servitude; shall run with the Property and be binding on all parties having any right, title, or interest in the Property or any party thereof, their heirs, successors and assigns; and shall inure to the benefit of each Owner thereof.

ARTICLE 1
DEFINITIONS

1.1 "Additional Property" means and refers to any real property which is adjacent of, contiguous to, or otherwise within the vicinity of the Property, whether or not so described

herein or on the Plat. When, and if, Additional Property is annexed to this Declaration, it shall become part of the Property.

1.2 “**Association**” means The Ridge at Knights Court Homeowners Association, Inc., a Utah nonprofit corporation, its successors and assigns.

1.3 “**Architectural Committee**” means the committee established pursuant to this Declaration.

1.4 “**Articles**” means and refers to the Articles of Incorporation of the Association and any amendments thereto. The purpose of the Articles is to establish the Association as a non-profit corporation under Utah law.

1.5 “**Bylaws**” means and refers to the Bylaws of the Association. The purpose of the Bylaws is to govern the Association’s internal affairs, such as (for purposes of example but not limitation) voting, elections, and meetings. The Bylaws shall be attached as Exhibit “B.”

1.6 “**Common Area**” means and refers to all real property, including the improvements thereto and facilities thereon, which the Association owns, leases, or otherwise holds possessory or use rights in, at any given time, for the common use and enjoyment of the Owners. Common Area may be designated on the Plat or otherwise established as provided for in this Declaration.

1.7 “**Common Expenses**” means the actual and estimated expenses incurred, or anticipated to be incurred, by the Association for the general benefit of the Owners, including any reasonable reserve, as the Board may find necessary and appropriate pursuant to the Governing Documents. Common Expenses shall not include any expenses incurred by the Declarant during the Declarant Control Period for initial development or other original construction costs.

1.8 “**Community Association Act**” or “**Act**” means the Utah Community Association Act, Title 57, Chapter 8a of the Utah Code, and any amendments thereto.

1.9 “**Declarant**” means Parkridge, INC, and its successor and assigns who are assigned Declarant’s rights, in whole or in part, to act as Declarant. There may be a division of Declarant’s rights depending on which rights have been assigned as provided in any recorded assignment of Declarant’s rights. The Declarant must give its written approval before any assignment of Declarant’s rights, in whole or in part, is effective.

1.10 **“Declarant Control Period”** means the period of time during which the Declarant has Class B membership status as provided for in Section 3.2(b), below.

1.11 **“Declaration”** means this instrument and any amendments, restatements, supplements, or annexations thereto, which are recorded in the office of the Davis County Recorder.

1.12 **“Directors”, “Board of Directors”, or “Board”** means the governing body of the Association. When any action is contemplated or taken by the Association, it shall be done through the Board of Directors.

1.13 **“Entire Membership”** means all Members, regardless of class of membership. When a vote of the Entire Membership is referenced it means all potential votes for both Class A and Class B members; provided however, that the term Entire Membership shall exclude the Class B member when it relates to or calls for an assessment or charge to the Entire Membership.

1.14 **“Governing Documents”** means, collectively, this Declaration, the Articles, the Bylaws, the Plat, and any amendments of supplements to those documents, and includes any rules, regulations, and resolutions established pursuant to the authority of the Declaration, Articles, or Bylaws.

1.15 **“Limited Common Area”** means and refers to a portion of the Common Area which has been designated for the primary or exclusive use of a particular Owner or Owners. Generally Limited Common Area, as a portion of Common Area, is owned by the Association but reserved for the use and enjoyment of the Owner or Owners to whose Unit the Limited Common Area is adjacent or appurtenant. Limited Common Area may be designated on the Plat or otherwise established as provided for in this Declaration.

1.16 **“Member”** means and is synonymous with the terms “Owner” and “Unit Owners” and is used herein and in the Bylaws and Articles as a means to identify the Unit Owners a Members of the Association.

1.17 **“Mortgage”** means a mortgage, a deed of trust, a deed to secure a debt, or any other form of security instrument affecting title to any Unit.

1.18 **“Mortgagee”** means and refers to a lender holding a first Mortgage or deed of trust.

1.19 **“Owner”** means the entity, person, or group of persons owning fee simple title to any Unit which is within the Property. Regardless of the number of parties participating in ownership of each Unit, the group of those parties shall be treated as one “Owner.” The term “Owner” includes contract purchasers but does not include persons who hold an interest merely as security for the performance of an obligation unless and until title is acquired by foreclosure or similar proceedings. Membership is appurtenant to and may not be separated from Unit ownership.

1.20 **“Plat”** means the subdivision Plat recorded concurrently herewith for The Ridge which was prepared and certified by a Utah Registered Land Surveyor and any amendments or replacements thereof, or additions thereto.

1.21 **“Property”** means that certain real property hereinbefore, described, and such annexations and additions thereto as may hereafter be subjected to this Declaration, and, where the context requires, includes any improvements thereon.

1.22 **“Short-term Rental”** means a Unit used by any person or entity for resort or other transient lodging uses where the term of occupancy, possession, or tenancy of the Unit is for 29 consecutive calendar days or less, for direct or indirect remuneration.

1.23 **“Unit”** means a residential dwelling, with or without walls or roofs in common with other single family dwellings, and any appurtenant garage. When the term “Unit” is used it includes fee title to the real property lying directly beneath the single family dwelling, within lot boundary lines this may not, however, be all the lot in some instances. Ownership and Unit boundaries are depicted and described on the Plat. Where the context requires, such as provisions on lien rights and enforcement, the term Unit shall include any lot depicted on a Plat as part of a Unit.

1.24 **“Unit Owner”** means and is synonymous with the term “Owner.”

ARTICLE 2 PROPERTY RIGHTS

2.1 Owner’s Acknowledgment; Notice to Purchasers. All Owners are given notice that the use of their Units and the Common Area and Limited Common Area is limited by the covenants, conditions, restrictions, easements, and other provisions in the Governing Documents, as they may be amended, expanded, or modified from time to time. Each Owner, by acceptance of a deed acknowledges and agrees that the use and enjoyment and marketability of its Unit can be affected by said covenants, conditions, restrictions, easements, and other provisions in the

Governing Documents. All purchasers of Units are on notice that the Association may have adopted changes to the Governing Documents that might differ from those that any purchaser might receive from, or that might have been disclosed by, the Owner from whom the purchaser is purchasing its Unit. Copies of current Governing Documents may be obtained from the Association.

2.2 Units

2.2.1 Ownership. Each Unit is owned in fee simple by the Owner, subject to the covenants, conditions, restrictions, and easements in this Declaration and other provisions of the Governing Documents.

2.2.2 Additional Portions of the Unit. Covered decks and patios, if any, and as may be depicted on the Plat shall be considered part of the Unit but shall be subject to regulation by the Association in the same manner as Limited Common Area.

2.2.3 Activities within Units. No rule shall interfere with the activities carried on within the confines of Units, except that the Association may prohibit activities not normally associated with property restricted to residential use, and it may restrict or prohibit any activities that create monetary costs for the Association or other Owners, that create a danger to the health or safety of occupants of other Units, that generate excessive noise or traffic, that create unsightly conditions visible outside the dwelling, or that create an unreasonable source of annoyance, all as may be determined by the Board or any committee designated by the Board or this Declaration to make such determinations, in their sole discretion.

2.2.4 Household Composition. No rule shall interfere with the freedom of Owners to determine the composition of their households, except that the Association shall have the power to require that all occupants be members of a single housekeeping unit and to limit the total number of occupants permitted in each Unit on the basis of the size and facilities of the Unit and its fair use of the Common Area.

2.2.5 Exteriors of Units. The exteriors of Units, including exterior walls and roofs, are hereby designated as Limited Common Area for purposes of architectural control and are therefore subject to the rules, regulations, and approvals of the Architectural Committee.

2.3 Common Area.

2.3.1 Ownership Conveyance. Upon recording of the Plat the Common Area, including Limited Common Area which is a portion of the Common Area, is deemed conveyed

by Declarant to the Association, free and clear of all financial encumbrances and liens, but subject to this Declaration, and easements and rights-of-way of record. The Association hereby accepts the conveyance of the Common Area. Common Area may also be conveyed by separate deed, by a supplemental declaration, or as depicted on an amended plat.

2.3.2 Rights of Use and Rules and Regulations Concerning the Common Area.

Every Owner has a right and easement of use and enjoyment in and to the Common Area which is appurtenant to and shall pass with the title to every Unit, subject to the Governing Documents. The Board shall have the right to establish and enforce rules and regulations governing the use of the Common Area, including but not limited to rights of use, hours of use, delegation of use, and standards of conduct. Additional rights to establish rules and regulations governing the Common Area may be set forth and established elsewhere in the Governing Documents.

2.3.3 Board Authority and Rights in the Common Area. The Board shall have the right, for and on behalf of the Association, to:

- 2.3.3.1 Enter into agreements, or leases which provided for use of the Common Area by a similar association in consideration for use of the common areas and facilities of the other association or for cash consideration or for use by third parties for cash consideration;
- 2.3.3.2 With the approval of at least 75% of Owners to sell, exchange, hypothecate, alienate, mortgage, encumber, dedicate, release or transfer all or part of the Common Area to any private individual, corporate entity, public agency, authority, or utility;
- 2.3.3.3 Grant easements for public utilities or other public purposes consistent with the intended use of the Common Area;
- 2.3.3.4 Take such steps as area reasonably necessary or desirable to protect the Common Area against foreclosure; and
- 2.3.3.5 Take such other actions with respect to the Common Area which are authorized by or otherwise consistent with the Governing Documents.

2.3.4 Declarant's Right of Use. As part of the overall program of development of the Property into a residential community and to encourage the marketing thereof, the Declarant shall have the right of use of the Common Area, including any community buildings, without charge during the Declarant Control Period to aid in its marketing activities.

2.4 Limited Common Area.

2.4.1 Designation. The Declarant, during the Declarant Control Period, shall have the right to restrict portions of the Common Area, whether owned by Declarant or by the Association, in the nature of an easement for the primary or exclusive use of one or more particular Owners, by designating such portions of the Common Area as Limited Common area. This designation may be made by: (i) indicating or designating, depicting, or describing such Limited Common Area in any supplemental declaration or any exhibit thereto. The Declarant reserves the right to re-designate Limited Common Area and the maintenance obligations thereof as it deems necessary from time to time.

2.4.2 Rights of Use and Rules and Regulations Concerning the Limited Common Areas. Each Owner is hereby granted an irrevocable and exclusive license to use and occupy the Limited Common Areas reserved and designated exclusively for the use of its Unit, subject to the rights of the Declarant and the Board as set forth in the Governing Documents. The right of exclusive use and occupancy does not include the right to repaint, remodel, erect structures upon or attach any apparatus to the Limited Common Area without the express written consent of the Board or the Architectural Committee, as the case may be.

2.4.3 Board Authority and Rights in Limited Common Area. The Board's right of regulation in the Limited Common Area, includes all rights it possesses with respect to the Common Area which are not inconsistent with exclusive use to a particular Unit to which the Limited Common Area is assigned, and includes, but is not limited to, the right to regulated, repair, maintain, and control architectural and aesthetic appearances of the Limited Common Area.

2.5 Declarant's Reasonable Rights to Develop. No rule or action by the Association shall unreasonably impede Declarant's right to develop the Property.

ARTICLE 3
ASSOCIATION, MEMBERSHIP AND VOTING RIGHTS

3.1 Membership. Every Owner of a Unit subject to the Declaration is a Member of the Association. Membership in the Association automatically transfers upon transfer of title by the record Owner to another person or entity.

3.2 Voting Rights. The Association has two classes of voting membership, Class A and Class B.

3.2.1 Class A. Every Owner is a Class A Member with the exception of the Declarant, until Declarant's membership converts to Class A membership as provided for herein. Class A Members are entitled to one vote for each unit owned. When more than one person holds an Interest in any Unit, the group of such persons shall be a Member. The vote for such Unit shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Unit. A vote cast at any Association meeting by any of such co-Owners, whether in person or by proxy, is conclusively presumed to the vote attributable to the Unit concerned unless written objection is made prior to that meeting, or verbal objection is made, the vote involved shall not be counted for any purpose except to determine whether a quorum exists.

3.2.2 Class B. The Class B member is the Declarant. Declarant's Class B membership status is not dependent or contingent upon Declarant's ownership of any unit within the Property. The Class B member is entitled to 100 votes. Class B membership will cease and be converted to Class A membership, and the Declarant Control Period will end, on the happening of one of the following events, whichever occurs earlier: (i) the expiration of 20 years from the date of recording of this Declaration; or (ii) by Declarant's express surrender of Class B membership status.

3.3 Declarant's Voting Rights in Expansion Area. In the case of expansion (as provided under this Declaration), Declarant shall have Class B Membership and receive the equivalent votes per Unit constructed in the Additional Property.

3.4 Changes of Corporate Status. The Association has been set up and established as a non-profit corporation under Utah law. However, as provided in the Community Association Act, Utah Code 57-8a-221, the continuing existence and viability of the Association is not vested in its corporate status. During any periods in which the Association is not incorporated or otherwise has a change of corporate status (e.g., involuntary dissolution under the Utah Nonprofit Corporation Act for failure to file for corporate renewal), the Governing Documents shall nevertheless continue to be effective as the Governing Documents of the Association, and the Association, the Board, and all officers and committees operating under the authority of the Governing Documents shall have all rights, power, and authority granted therein; and no Owner may escape or avoid any assessment, charge, lien, rule or other matter contained in the Governing Documents by virtue of such change of corporate of status. In the case of non-incorporation, the Board is authorized, to the extent it deems necessary, and without approval of the Members, to re-incorporate under a same or similar name and such corporation shall be

deemed the successor to the Association shall continue to operate and function under Governing Documents as an unincorporated association.

3.5 Validity of Votes and Consents. Any consent of vote given by an Owner on any matter in the Governing Documents shall be valid for a period of 90 days, and shall be binding on any subsequent Owner who takes title of the Unit during that period of time.

3.6 Indemnification. The Board, and each member thereof, shall be indemnified by the Association against any loss, damage, claims or liability, including reasonable attorney fees, suffered incurred by reason of such position, except to the extent such damage, claim, loss or liability is covered by any type of insurance, provided, however, that no such person shall be indemnified against, or be reimbursed for any expense incurred in connection with, any claim or liability arising out of that person's own willful misconduct or gross negligence.

3.7 Rulemaking Authority. The Board may, from time to time, subject to the provisions of the Governing Documents and Utah law, adopt, amend and repeal rules and regulations governing, among other things, Short-term Rentals, use of any Limited Common Area and Common Area, parking restrictions and limitations, limitations upon vehicular travel within the opinion of the Board, create a hazard, nuisance, unsightly appearance, excessive noise, or offensive smell.

3.8 Notice; Promulgation of Rules. A copy of the rules and regulations, as they may from time to time be adopted, amended or repealed, shall be mailed or otherwise delivered to each Unit Owner within 15 days after the date of the Board meeting where the changes were made and may, but need not be, recorded. Upon such mailing or other delivery, said rules and regulations shall have the same force and effect as if they were set forth in and were a part of this Declaration. In addition to or in lieu of providing notice by mail, the Board may provide notice by electronic means such as electronic mail (e-mail) to Unit Owners and may require that Unit Owners, in addition to keeping the Board informed as to their current mailing address, maintain a current email address with the Board for such purpose.

3.9 Management Agreement; Property Manager. The Board may engage for the Association the services of a property manager to perform such duties and services as the Board shall authorize. The Board may delegate to and otherwise authorize the property manager to perform those services to which the Board itself may perform under the Governing Documents or the Act, and those services to which the Act otherwise authorizes a manager to perform. Fees, costs, and other charges of the property manager shall be Common Expenses. The property manager may also provide services to individual Owners, such as leasing individual Units as may be determined between the property manager and the Owner, provided however, that

services performed for individual Owners which are performed for all the Association that services performed for individual Owners which are not performed for all the Association shall not be Common Expenses but shall be charged to such Owners as the Owners and the property manager may determine. Nothing in this Declaration prohibits the Association for contracting for any service with any person or entity affiliated with, or in common ownership with, Declarant, but any such contract must be for prices and terms that are competitive in the local market and in no case shall the contract term exceed one year.

ARTICLE 4
FINANCES AND ASSESSMENTS

4.1 Assessments; Authority. The Association is hereby authorized to levy and collect assessments against the Owners as provided for herein. The following are the types of assessments that may be levied and collected by the Association, which are more particularly described below: (1) annual assessments or charges; (2) special assessments; (3) specific assessments; (4) emergency assessments; (6) any other amount of assessment levied or charged by the Association Board pursuant to this Declaration; and (7) interests, costs of collection and reasonable attorney fees, as hereinafter provided.

4.2 Creation of Lien and Personal Obligation of Assessments. Excepting Declarant, each Owner of any Unit by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, covenants and agrees to pay to the Association all assessments and charges, however denominated, which are authorized in the Governing Documents. All such amounts shall be a charge on the Unit and shall be a continuing lien upon the Unit against which each such assessment or amount is charged; which lien shall arise when the Owner fails or refuses to pay an assessment when due. Such assessments and other amounts shall also be the personal obligation of the person who was the Owner of such Unit at the time when the assessment became due. No Owner may exempt himself from liability for assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of assessments or set-off shall be claimed or allowed for any alleged failure of the Association, the Board, or Declarant to take some action or perform some function required of it, or for inconvenience or discomfort arising from the making or repairs or improvements, or from any other action it takes.

4.3 Purpose of Assessments. The assessments levied by the Association shall be used to advance the purpose for which the Association was formed, as set forth and articulated in the Governing Documents. The assessments may provide for, but are not limited to, the payment of taxes on Association property and insurance maintained by the Association; the payment of the cost of repairing, replacing, maintaining and constructing or acquiring additions to the Common Area and Limited Common Area; the payment of the cost of repairing, replacing, and maintaining any roadways; payment of fees for recreation facilities and amenities that the Board contracts for on behalf of the Owners; the payment of the cost of administrative expenses of the Association; the payment of insurance deductible amounts to the extent not otherwise recoverable from a third party; the establishment of capital and operational reserve accounts; the payment of any professional services deemed necessary and desirable by the Board; and other amounts required by this Declaration or that the Board shall determine to be necessary to meet the primary purposes of the Association. The assessments may provide, at the discretion of the

Board, for the payment of other charges including (without limitation) maintenance, management, and utility charges.

4.4 Initial Annual Assessments. The Declarant shall initially establish the amount of the annual assessments. Thereafter, the establishment of annual assessments shall be according to the procedures and requirements of Section 4.8.

4.5 Reinvestment Fee. Each purchaser of a Unit, excluding Declarant, shall make initial contributions to the Association in a reasonable amount as determined by the Board. Such amounts paid shall not be deemed to be advance payments of the Assessment, but shall be in addition thereto.

4.6 Transfer of Title. The Association, or its agent, may charge a fee for providing Association payoff information needed in connection with financing, refinancing, or closing of a lot owner's sale of the lot owner's lot, as provided for in Utah Code 57-8a-106. Additional paperwork required in a private sale between an owner and purchaser may be obtained from the Association but may incur additional fees.

4.7 Annual Assessments; Budgeting.

4.7.1 Adoption of Budget. The Board shall prepare a budget of the estimated Common Expenses for each fiscal year, for the purpose of calculating and establishing the annual assessments for the fiscal year. Annual assessments for Common Expenses shall be based upon the estimated net cash flow requirements of the Association to cover items including, without limitation, the cost of routine maintenance and operation of the Common Area; expenses of management; premiums for insurance coverage as deemed desirable or necessary by the Association; landscaping, care of grounds, and common lighting within the Common Area; routine renovations within the Common Area; wages; common water and utility charges for the Common Area; legal and accounting fees; management fees; expenses and liabilities from a previous assessment period, the supplementing of the reserve fund for general, routine maintenance, repairs, and replacement of the Common Area as required by section 57-8a-211 of the Community Association Act, Utah Code 57-8a-211.

4.7.2 Notice of Budget and Assessment. There shall be no obligation to call a meeting for the purpose of considering the budget except on petition of the Members as provided for special meetings pursuant to the Bylaws. Unless the budget for the assessment is disapproved by the Members as set forth above, the Board is thereafter authorized to levy the assessment as provided for herein. During the Declarant Control Period, the Owners may not disapprove any budget.

4.7.3 Failure or Delay in Adopting Budget. The failure or delay of the Board to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of an Owner's obligation to pay its allocable share of the Common Expenses and in the event of such failure or delay, all Owners shall continue to pay assessments on the same basis as during the last year for which an assessment was made until notified of the amount of the new annual assessment which is due on the first day of the next payment period which begins more than thirty days after such new annual or adjusted budget is adopted and the Owners receive notice as provided herein.

4.8 Special Assessments. In addition to the annual assessments, the Board may levy in any assessment year a special assessment, applicable to that year only to cover unbudgeted expenses or expense in excess of those budgeted, including but not limited to defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of Common Area or Limited Common Area and any structures, fixtures and personal property related thereto, or to purchase, acquire, or otherwise add additional Common Area. Any such special assessment may be levied against the Entire Membership (excluding Declarant) if such special assessment is for Common Expenses. Special assessments shall be payable in such manner and at such times as determined by the Board, and may be payable in installments extending beyond the fiscal years in which the special assessment is approved.

4.9 Specific Assessments. The Association shall have the power to levy specific assessments against a particular Unit to cover costs incurred in bringing any Unit into compliance with the Governing Documents, or costs incurred as a consequence of the conduct of the Owner or occupants of the Unit, their agents, contractors, employees, licensees, invitees, or guest. The Board shall give an Owner prior written notice and an opportunity for a hearing, in accordance with the Bylaws, before levying any specific assessment under this subsection.

4.10 Emergency Assessments. Notwithstanding anything continued in this Declaration, the Board without Member approval, may levy emergency assessments in response to an emergency situation. Prior to the imposition or collection of any assessment due to an emergency situation, the Board shall pass a resolution containing the written findings as to the necessity of such expenditure and why the expenditure was not or could not have been reasonably foreseen or accurately predicted in the budgeting process and the resolution shall be distributed to the Members with the notice of the emergency assessment. If such expenditure was created by an unbudgeted utility, maintenance or similar expense or increase, the assessment created thereby shall be discontinued by the Board by a similar resolution if such expense is subsequently reduced, or to the extent the next succeeding annual budget incorporates said increase into the annual assessment. An emergency situation is one in which the Board finds: (a)

an expenditure, in its discretion, required by an order of a court, to defend the Association in litigation, or to settle litigation; (b) an expenditure necessary to repair or maintain the Property or any part of it for which the Association is responsible where a threat to personal safety on the Property is discovered; (c) an expenditure necessary to repair, maintain, or cover actual Association expenses of the Property or any part of it that could not have been reasonably foreseen by the Board in preparing and distributing the pro forma operating budget (for example: increases in utility rates, landscape or maintenance contract services, attorney fees incurred in the defense of litigation, etc.); or (d) such other situations in which the Board finds that immediate action is necessary and in the best interests of the Association.

4.11 Uniform Rate of Assessment. Unless otherwise provided for in this Declaration or elsewhere in the Governing Documents, assessments must be fixed at a uniform rate for all Units. No assessments shall accrue against Units owned by Declarant during the Declarant Control Period.

4.12 Declarant's Option to Fund Budget Deficits. During the Declarant Control Period, Declarant may, but is not obligated to, fund any budget deficit of the Association, including, without limitation, funding any initial capital or operational reserve fund. In the event Declarant funds any budget deficit, it shall not establish any obligation by Declarant to continue to fund any future deficits. To the extent not prohibited by law, the Declarant may be reimbursed for finding any budget deficit.

4.13 Payment; Due Dates.

4.13.1 The assessments and charges provided for herein shall commence to accrue against a Unit upon the earlier of: (1) conveyance of a Unit to a bona fide purchaser other than a developer or builder who takes or owns title to the Unit for the purpose of development, construction, and sale of such Unit, or (2) on the last day of the month following the issuance of a certificate of occupancy corresponding to a Unit, adjusting the amount of such assessment according to the number of months remaining in the fiscal year. But the foregoing assessments shall not begin to accrue against any Unit that is owned by the developer or builder and is actively used as a fully furnished model home for marketing purposes and continuously unoccupied and regularly open to the public for marketing purposes.

4.13.2 Due dates shall be established by resolution of the Board. Installments of assessments may be levied and collected on a monthly, quarterly semi-annual, or annual basis, as determined by resolution of the Board.

4.13.3 The Board may require advance payment of assessments at closing of the transfer of title to a Unit.

4.13.4 Payment of assessments shall be applied first to any accrued interest, then to any accrued costs, charges, and fees, and then to the principal amount of the assessment. No Owner shall have the right to direct the Association or its agents or employees to apply payments in any other manner or method and any such attempt to do so will not be recognized.

4.14 Effect of Non-Payment of Assessment; Remedies of the Association. Any assessment or installment thereof not paid within 10 days after the due date therefor shall be delinquent and shall accrue late fees and bear interest from the due date at the rate of 18% per annum until paid.

4.14.1 Remedies. To enforce this Article, the Board may, in the name of the Association:

- 4.14.1.1 Bring an action at law against the Owner personally obligated to pay any such delinquent assessment without waiving Association's lien for the assessment;
- 4.14.1.2 After giving notice by certified mail as required by section 57-8a-303 or the Community Association Act, Utah Code 57-8a-303, foreclose the lien against the Unit in accordance with the laws of the State of Utah applicable to the exercise of powers of sale in deeds of trust or to the foreclosure of mortgages, or in any other manner permitted by law, to the same extent as through the Association lien was a trust deed;
- 4.14.1.3 Restrict, limit, or totally terminate any or all services performed by the Association on behalf of the delinquent Owner;
- 4.14.1.4 Terminate, in accordance with section 57-8a-309 of the Community Association Act, Utah Code 57-8a-310 of the Community Association Act, Utah Code 57-8a-210, demand that the Owner's tenant pays to the Association all future lease payments due from the Owner, beginning with the next monthly or other periodic payment, until the amount due to the Association is paid;

- 4.14.1.5 Exercise any other rights authorized by the Community Association Act for non-payment of assessments and other charges;
- 4.14.1.6 Suspend the voting rights of the Owner for any period during which any assessment of portion thereof against the Owner's Unit remains unpaid;
- 4.14.1.7 Accelerate all assessment installments that will become due within the subsequent 12 months so that all such assessments for that period become due and payable at once. This acceleration provision may only be invoked against an Owner who has been delinquent in paying any assessment or installment two or more times within a 12-month period; and/or
- 4.14.1.8 Record a lien against the Unit on any installment payment more than 60 days past due with costs of such being added to the Owner's account.

4.14.2 Attorney Fees and Costs. There shall be added to the amount of any delinquent assessment the costs and expenses of any auction, sale or foreclosure, and reasonable collection and attorney fees incurred by the Association, together with, where applicable, and account for the reasonable rental for the Unit from time to time of commencement of the foreclosure. The Association shall be entitled to the appointment of a receiver to collect the rental income or the reasonable rental without regard to the value of the other security.

4.14.3 Power of Sale. A power of sale is hereby conferred upon the Association which it may exercise. Under the power of sale, the Unit of an Owner may be sold in the manner provided by Utah law pertaining to deeds of trust as if said Association were beneficiary under a deed of trust. The Association may designate any person or entity qualified by law to serve as trustee for purposes of power of sale foreclosure. The Declarant hereby conveys and warrants pursuant to Utah Code Sections 57-1-20 and 57-8a-302 to a qualified trustee which is named in any supplemental recording with power of sale, the Units and Units and all improvements to the Units and Units for the purpose of securing payments of assessments under the terms of this Declaration.

4.15 Exempt Property. The following property subject to this Declaration is exempt from the assessments created herein: (a) all property dedicated to and accepted by any local

public authority; (b) all Common Area; (c) all Units or other real property owned by Declarant; and (d) any other property declared exempt as set forth in this Declaration or within any Plat.

4.16 Subordination of Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to: (1) a lien or encumbrance recorded before the Declaration is recorded; (2) a first or second security interest secured by a Mortgage or trust deed that is recorded prior to any notice of lien filed by or on behalf of the Association; and (3) a lien for real estate taxes or other governmental assessments or charges against the Unit.

4.17 Termination of Lien. Sale or transfer of any Unit shall not affect the assessment lien. However, the sale or transfer of any Unit pursuant to foreclosure of a first Mortgage or any proceeding in lieu thereof, shall extinguish the assessment lien as a payment which became due prior to such sale or transfer. No sale or transfer, however, shall relieve an Owner from personal liability for assessments coming due after taking title from the lien of such later assessments.

4.18 Books, Records, and Audit.

4.18.1 The Association shall maintain current copies of the Governing Documents and other similar documents, as well as its own books, records and financial statements which shall all be available for inspection by Owners and insurers as well as by holders, insurers and guarantors of first mortgages during normal business hours upon reasonable notice. Charges shall be made for copying, researching or extracting from such documents. An Owner or holder, insurer, or guarantor of a first Mortgage may obtain an audit of Association records at its own expense so long as the results of the audit are provided to the Association.

4.18.2 The Association shall prepare a roster of Owners in the Property and the assessments applicable thereto at the same time that it shall fix the amount of the annual assessment, which roster shall be kept by the Treasurer of the Association, who shall record payments of assessments and shall allow inspection of the roster by any Member at reasonable times.

4.18.3 The Association shall, upon written request, and for a reasonable charge not to exceed the amounts provided in the Act, furnish a written statement signed by an officer of the Association setting forth whether the assessment on a specified Unit has been paid. Such written statement, when properly issued, shall be conclusive evidence of the payment of any assessment or fractional part thereof which is therein shown to have been paid.

ARTICLE 5
INSURANCE

5.1 Casualty Insurance on Insurable Common Area

5.1.1 The Board shall keep all insurable improvements and fixtures of the Common Area insured against loss or damage by a fire for the full insurance replacement cost thereof, and may obtain insurance against such other hazards and casualties as the Association may deem desirable. The Association may also insure any other property whether real or personal, owned by the Association, against loss or damage by fire and such other hazards as the Association may deem desirable, with the Association as the Owner and beneficiary of such insurance. The insurance coverage with respect to the Common Area shall be written in the name of, and the proceeds thereof shall be payable to, the Association. Insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried. Premiums for all insurance carried by the Association are Common Expenses which shall be included in the regular annual assessments made by the Association.

5.1.2 In addition to casualty insurance on the Common Area, the Board shall obtain and continue in effect, on behalf of all Owners, adequate blanket casualty and fire insurance in such form as the Board deem appropriate in an amount equal to the full replacement value, without deduction for depreciation or coinsurance, of all the Units including the structural portions and mixtures thereof. Insurance premiums from any such blanket insurance coverage, and any other insurance premiums paid by the Association shall be a common expense of the Association to be included in the regular annual assessments as levied by the Association. The insurance coverage with respect to the Units shall be written in the name of, and the proceeds thereof shall be payable to the Association as trustee for the Owners. If the Association becomes aware that such insurance is not available, the Association shall, within seven calendar days after becoming aware of that fact, give all Owners notice as provided in Utah Code 57-8a-214.

5.1.3 The Association policies may contain a reasonable deductible (no greater than \$25,000) and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the policy limits satisfy the requirements herein.

5.2 Replacement or Repair of Property. In the event of damage to or destruction of any part of the Common Area improvements, the Association shall repair or replace the same from the insurance proceeds available, unless this Declaration is terminated and the Association dissolved, the repair would be illegal or at least 75% of the allocated voting interests vote not to rebuild. If such insurance proceeds are insufficient to cover the costs of repair or replacement of the property damage or destroyed, the Association may make a reconstruction assessment against

all Owners to cover the additional cost of repair or replacement not covered by the insurance proceeds, in addition to any other common assessments made against such Owner. In the event of damage or destruction by fire or other casualty to any portion of the Property covered insurance written in the name of the Association, the Board is empowered to and shall represent the Member in any proceedings, negotiations, settlements or agreements. The Association is appointed attorney-in-fact of each Owner for this purpose.

5.3 Liability Insurance. The Board shall obtain a comprehensive policy of public liability insurance covering all of the Common Area for at least \$2,000,000.00 per occurrence for personal or bodily injury and property damage that results from the operation, maintenance or use of the Common Areas. Liability insurance policies obtained by the Association shall contain a “severability of interest” clause or endorsement which shall preclude the insurer from denying the claim of an Owner because of negligent acts of the Association or other Owners.

5.4 Fidelity Insurance. The Board may elect to obtain fidelity coverage against dishonest acts on the part of managers, Directors, officers, employees, volunteers, management agents or others responsible for handling funds held and collected for the benefit of the Owners or Members. In procuring fidelity insurance, the Board shall seek a policy which shall: (1) name the Association as obligee or beneficiary; (2) be written in an amount not less than the sum of (i) three months’ operating expenses and (ii) the maximum reserves of the Association which may be on deposit at any time; and (3) contain waivers of any defense based on the exclusion of persons who serve without compensation from any definition of “employee.”

5.5 Annual Review of Policies. The Board shall review all insurance policies at least annually in order to ascertain whether the coverage contained in the policies is sufficient to make any necessary repairs or replacements of the property which may be damaged or destroyed, and to ensure that insurance coverage complies with currently existing legal requirements. The Board may, to the extent it deems necessary to more fully protect and insure the Association and its property, or to otherwise comply with evolving laws and insurance standards, modify the coverage standards set forth in this Article 5 without the necessity of amending this Declaration.

ARTICLE 6

ARCHITECTURAL CONTROLS AND STANDARDS

6.1 Architectural Committee. The Board may create an Architectural Committee which shall be composed of three (3) or more representatives appointed by the Board of Directors. If the Board of Directors does not establish or appoint the Architectural Committee the Board itself shall carry out the functions and responsibilities of the Architectural Committee.

6.2 Architectural Committee Approval. No Owner or other person may attach, erect, install, or place anything on the exterior of Units or the interior of Units where the same might be visible from outside the Unit, or other buildings and structures in the Property without first obtaining approval from the Architectural Committee. In this regard, no structure, building, fence, wall, or thing shall be placed, erected, or installed upon any Unit or to any Unit and no improvements or other work (including exterior alterations of existing improvements, or planting or removal of landscaping) shall take place within the Property until the plans and specifications showing, without limitation, the nature, kind, shape, height, materials, colors and location of the same shall have been submitted to and received prior approval in writing by the Architectural Committee and any rules and regulations adopted by the Architectural Committee. The Architectural Committee approval shall be required regardless of whether the structure, building, fence, wall or thing to be constructed, placed, erected, or installed is new, or an addition, extension or expansion, change or alteration, or re-construction, replacement, re-erection, or re-installation of any of the foregoing.

6.3 Rules, Regulations, Guidelines, and Procedures. The Architectural Committee may establish rules, regulations, guidelines and procedures to govern the Property.

ARTICLE 7 PARTY WALLS

7.1 General Rules of Law in Apply. Each wall, including any floor or ceiling, that is built as a part of the original construction upon the Property which serves and/or separates any two adjoining Units shall constitute a party wall. To the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

7.2 Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared equally by the Owners who make use of the wall.

7.3 Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, then, to the extent said destruction or damage is not covered by insurance and repaired out of the proceeds of the same, any Owners who share the wall shall restore it and shall contribute to the cost of restoration thereof in proportion to their use, 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.

7.4 Exposure to Elements. Notwithstanding any other provisions of this Article, an Owner who by negligent or willful actions causes a party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements to the extent that said protection is not covered by insurance and paid for out of the proceeds of the same.

7.5 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 successor-in-title.

7.6 Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator within 10 days of their selection, and the decision shall be by a majority of all the arbitrators. Should any party refuse to appoint an arbitrator within 10 days after written request to do so the Board shall select an arbitrator for the refusing party.

ARTICLE 8 MAINTENANCE

8.1 Association's Responsibility. The Association is responsible for maintenance of the Common Area and the Limited Common Area which is not designated to any particular Unit. The cost of such maintenance shall be a Common Expense. This maintenance includes but is not limited to upkeep of all landscaping, upkeep and maintenance of all roadways, street lights, sidewalks, and parking areas, and upkeep and maintenance of all buildings and facilities which constitute part of the Common Area and Limited Common Area which is not designated to any particular Unit. The Association shall not have any responsibility of express maintenance of the Units, unless expressly required by this Declaration or expressly assumed by the Association pursuant to the authority of this Declaration.

8.2 Owner's Responsibility. Each Owner shall be responsible for maintenance and repair of its Unit and any Limited Common Area designated for the exclusive use and occupancy of its Unit including the roof, exterior walls, all doors and windows, and deck and patio areas, and the area designated and described in Section 2.2.5. in a manner consistent with all applicable provisions of the Governing Documents, unless such maintenance responsibility, the Board may, after 10 days written notice (which notice shall not be required in the event of emergency or threat to life, health, property, or safety), provide exterior maintenance upon each Unit and the Limited Common Area adjacent and appurtenant thereto (as designated on the Plat or by the Declarant) and charge the Owner the costs of such maintenance as a specific assessment.

8.3 Access at Reasonable Hours. For the sole purpose of performing the maintenance required or otherwise authorized by this Article, the Association, through its duly authorized agents or employees, shall have the right, after reasonable notice to the Owner, to enter upon any Unit or Limited Common Area at reasonable hours. This provision does not authorize entry into the interior of any Unit.

8.4 Other Services Provided by Association. To the extent determined to be necessary or desirable by the Board, the Association may provide additional services to the Owners as a Common Expense or specific assessment, as appropriate.

8.5 Alternation of Certain Maintenance Duties by Rule. The duty of maintenance for the area of a Unit outside the walls of the Unit, and the Limited Common Areas adjacent and appurtenant thereto may be altered by rule of the Association.

ARTICLE 9 CONDEMNATION; PARTITION

9.1 Condemnation. Whenever all or any party of the Common Area shall be taken by any authority having the power of condemnation or eminent domain, each Owner shall be entitled to notice thereof. The award made for such taking shall be payable to the Association as trustee for all Owners to be disbursed as follows:

9.1.1 If the taking involves a portion of the Common Area on which improvements have been constructed, then, unless within 60 days after such taking the Declarant, during the Declarant Control Period, and Members representing at least 75% of the total vote of the Association shall otherwise agree, the Association shall restore or replace such improvements so taken on the remaining land included in the Common Area to the extent lands are available therefor, in accordance with plans approved by the Board. If such improvements are to be repaired or restored, the above provisions in Section 5.2 regarding the disbursement of funds in respect to casualty damage or destruction which is to be repaired shall apply.

9.1.2 If the taking does not involve any improvements on the Common Area, or if there is a decision made not to repair or restore, or if there are net funds remaining after any such restoration or replacement is completed, then such award or net funds shall be disbursed to the Association and used for such purposes as the Board shall determine.

9.2 No Partition. Except as otherwise permitted in this Declaration, the Common Area shall remain undivided and no person or entity shall bring any action for the partition of any portion of the Common Area without the written consent of all Owners and Mortgagees.

This section shall not construed to prohibit the Board from acquiring and disposing of title to real property which may or may not be subject to this Declaration. Owners may not partition any Unit.

ARTICLE 10
USE AND CONDUCT RESTRICTIONS AND REQUIREMENTS

10.1 General Use Restrictions. All of the Property which is subject to this Declaration is hereby restricted to residential dwellings and buildings in connection therewith, including but not limited to community buildings on the Common Area, if any. All buildings or structures erected on the Property shall be of new construction and no buildings or structures shall be removed from other locations to the Property. After the initial construction of a Unit, no subsequent building or structure dissimilar to that initial construction shall be built on that lot. No building or structure of a temporary character, trailer, basement, tent, camper, shack, garage, barn or other outbuilding shall be placed or used on any portion of a lot at any time.

10.2 Use of Units as Short-term Rentals. If allowed by the City of Layton, Owners may rent their Units as Short-term Rentals. Owners opting to rent their Units as Short-term rentals are required to use the services of a property management company that is (1) licensed in accordance with state law and local ordinances, and (2) approved by the Board to manage Short-term Rentals within the Association. The Board shall establish the procedures, rules, and regulations for any Sort-term Rentals, including check-in, access to Units and common amenities and facilities, etc. The Owner shall at all times the unit is rented assure compliance with this Declaration, the Governing Documents, and any rules and regulations for the Property.

10.3 Timeshares Prohibited. No Owner shall offer or sell any interest in its Unit under a “timesharing” or “interval ownership” plan. This prohibition on timeshares does not include Short-term Rentals as provided for in this Declaration.

10.4 Parking.

10.4.1 No motor vehicle which is inoperable shall be allowed within the Property. There is no overnight parking on the private streets in the Property. Any motor vehicle in violation of this restriction is subject to removal by the Association, at the vehicle owner’s expense. Any vehicle that at any time inhibits the flow of traffic on the streets in the Property is subject to removal by the Association, at the vehicle owner’s expense. Upon demand, the owner of the vehicle shall pay any expense incurred by the Association in connection with the removal of that owner’s vehicle. If the vehicle is owned by an Owner, any amounts payable to the

Association shall be secured by the Unit and the Association may enforce collection of said amounts in the same manner provided for in this Declaration for the collection of assessments.

10.4.2 If parking spaces are designated on the Plat with numbers corresponding to Unit numbers, each such space is for the exclusive use of the Owner with the corresponding number. If parking areas are not designated on the Plat with Unit numbers, the Board may assign vehicle parking space for each Unit, if applicable. Parking spaces within the Property shall be used for parking of motor vehicles actually used by the Owner or the Owner's immediate family or guests for personal use, and not for commercial use.

10.4.3 Recreational vehicles, boats, travel trailers and similar personal property shall not be parked within the Property unless there is a designated RV parking area, or as permitted by rule of the Association. The Board may charge a fee for use of any RV parking area, which fee shall take into account the reasonable costs of maintenance and repair associated with the parking area. The fee charged for any such parking shall constitute a lien upon the Unit of the Owner using said parking and may be collected by the Association in the manner provided for collection of any assessment herein.

10.5 Commercial Activity. No commercial activities of any kind whatever shall be conducted on any portion of the Property, including any in-home business as defined by local ordinances. The foregoing restrictions shall not apply to the commercial activities, signs and billboards, if any, of the Declarant or its agents during the construction and sales period or by the Association in furtherance of its powers and purposes set forth in the Governing Documents, as the same may be amended from time to time or to any on-site property manager under contract to perform services for the Association.

10.6 Smoking. The Board is authorized to, by rule or resolution, prohibit tobacco smoking within or around the Common Areas and any other portion of the Property, including outside Units or on around Limited Common Areas (including Unit patios), when it is determined that the smoke or the smell from the smoking might filter or drift into other Units or interfere with the use and enjoyment of the property by other Owners. In addition, the Board is authorized to enforce and otherwise bring an action for nuisance under the provisions of Title 78B, Chapter 6 of the Utah Code for and on behalf of any Owner against any other Owner or occupant whose smoking creates or constitutes a nuisance under said provisions of the Utah Code

10.7 Pets and Animals.

10.7.1 Restrictions. The Board has the right to regulate and restrict, by rule, the keeping and harboring of pets and animals within the Property, including the keeping and harboring of pets and animals within the Units or on any Unit. This right includes the right to restrict the type, breed, or species of animal, the number of animals which may be kept, the areas in which the animals may be kept or taken, and to completely eliminate the keeping and harboring of pets. The Board may also establish procedural rules and regulations to implement its rules which should include provisions for notice and hearing, and the right to charge an impact fee which shall be in accordance with a schedule of fees adopted and published by the Board from time to time. Commercial breeding of pets and animals is prohibited within the Property and may not be allowed or authorized by Association rule or resolution.

10.7.2 Owner Responsibility. In the event the Board authorized the keeping of pets and animals, Owners must take due care to ensure that their pets and animals do not make excessive noises cause any offensive smell, or create any physical threat to the safety of any other Owner or person within the Property, or the safety of any guests, tenants, or invitees, particularly among children. Owners are responsible for any property damage, injury, or disturbance that their pet may cause or inflict anywhere within the Property. To the extent the Association is subjected or otherwise exposed to any liability, claims, damages, costs, losses, or expense as a result of the actions of an animal, the Association has the right to make a claim against the Owner. Owners shall indemnify the Association from any claims, damages, or causes of action that arise from or otherwise relate to the conduct of their pets. This indemnification shall include any attorney fees, costs, and expenses incurred by the Association.

ARTICLE 11 LEASES AND LEASING

11.1 Purpose and Intent of Lease Restrictions. The purpose of this Article is to further Declarant's intent to protect the value and desirability of the Property as a harmonious and attractive community by regulating the leasing of Units within the Property. Any lease with a term of less than six months is deemed a Short-term Rental and is subject to the provisions set forth in Section 10.2. No "For Rent" or "For Lease" signs are allowed anywhere on/in the units or in the common areas without the express written permission of the board.

11.2 Notification of Board. An Owner who enters into a lease or rental agreement must first notify the Board in writing and pay a refundable security deposit not to exceed \$1,000.00. A copy of any such lease or rental agreement must be submitted to the Board within 15 days after execution. Failure to provide notice and a copy of the lease to the Board may result in a fine of \$250.00. An Owner must comply with the foregoing notice provisions for each tenant with

which it enters into a lease or rental agreement and for each renewal of any existing lease or rental agreement.

11.3 Leasing Restrictions. Subject to the provisions of Utah Community Association Act, Utah Code 57-8a-209, any lease or rental agreement shall be in writing and shall provide that the terms of the lease shall be subject in all respects to the provisions of this Declaration and the other Governing Documents and that any failure by tenant to comply with the terms of such documents shall be a default under the lease. Units may be leased only in their entirety. There shall be no sub leasing of Units or assignment of leases without prior written approval of the Board. Any lease or Units or assignment of leases without prior written approval of the Board. Any lease or rental agreement, whether an initial agreement or any renewal thereof, shall provide for a minimum lease term of not less than six months; *provided however* that the Board shall have the power to allow leases for a term of less than six months upon a showing by the Owner that such a lease is required to avoid undue hardship, and may issue exemptions for certain Unit Owners as required by law.

11.4 Enforcement Against Owner. Notwithstanding any other rights of enforcement under this Declaration and other Governing Documents, or by applicable law, the Association may impose a fine, not to exceed 50% of the amount of the maximum annual assessment, on the Owner, which shall constitute a lien upon such Owner's Unit, for each violation by Owner's tenant of this Declaration or other Governing Documents. Such fine shall be imposed after a 10-day notice is given to the Owner of such violation. The Association may impose an additional fine on the Owner for each day such violation continues after the 10-day notice period provided herein, which additional fines shall constitute a lien upon such Owner's Unit. The Association need not provide any additional notice prior to fining an Owner for a continuing violation. There shall be added to any such fine reasonable attorney fees and costs incurred by the Association enforcing this Article. Any fine levied pursuant to this Article shall be recoverable by the Association in the same manner as an assessment under Article 4, and shall be recoverable by the Association in the same manner as an assessment under Article 4, and shall create a lien in favor of the Association against the Owner's Unit in the same manner as an assessment.

11.5 Cumulative nature of Remedies. The remedies provided in this Article are cumulative and in addition to any remedies provided in this Declaration or at law or in equity.

11.6 Administrative Fee. The Board may establish a monthly administrative fee that it may levy against Owners who lease their Units or do not occupy their Units as a primary residence. The administrative fee shall not exceed 20% of the amount of the annual assessment. The Board shall provide 30 days prior written notice of the amount of such administrative fee

prior to levying the same against an Owner. The administrative fee shall constitute a specific assessment against such Owners.

ARTICLE 12
SAFETY AND SECURITY

12.1 Each Owner and occupant of a Unit, and their respective guests and invitees, shall be responsible for their own personal safety and security of their property within the Property. The Association may, but shall not be obligated to, maintain or support certain activities within the Property designed to enhance the level of safety or security which each person provides for their self and their property such as contracting with a private security company or courtesy patrol. Neither the Association nor Declarant shall in any way be considered insurers or guarantors of safety or security within the property, nor shall either be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken.

12.2 No representation or warranty is made that any systems or measures, including any mechanism or system for limiting access to the Property, cannot be compromised or circumvented, nor that any such systems or security measures undertaken will in all cases prevent loss or provide detection or protection for which the system is designed or intended. Each owner acknowledges, understands, and shall be responsible for informing its tenants and other occupants of its Unit that the Association, its Board and committees, and Declarant are not insurers or guarantors of security or safety and that each person within the Property assumes all risks of personal injury and loss or damage to property, including Units and their contents, resulting from the acts of others.

ARTICLE 13
EASEMENTS

13.1 Police, Fire and Ambulance Service. An easement is hereby granted to all police, fire protection, ambulance services and all similar persons to enter upon the streets and Common Area and Limited Common Area in the performance of their duties.

13.2 Maintenance by Association. An easement is hereby granted to the Association, its officers, agents, employees and to any maintenance company selected by the Association to enter in or to cross over the Common Area and Limited Common Area, if any, and any Unit to perform the duties of maintenance and repair.

13.3 Owners' Easements of Enjoyment. Every Owner has a right and easement of use and enjoyment in and to the Common Area and Limited Common Area, if any, which is designated by the Declarant for the exclusive use of an Owner's Unit. This easement is appurtenant to and passes with the title to every Unit, subject to the provisions of the Governing Documents and such rules and regulations adopted by the Board.

13.4 Easement for Declarant. The Declarant shall have a transferable easement over and on the Common Areas and facilities and utilities for the purpose of making improvements on the Property or on any additional land under the Declaration, or any development, related or unrelated, on land described herein or adjacent to the Property and for the purpose of doing all things reasonably necessary and proper in connection with the same.

13.5 Reservations of Easements by Declarant. The Declarant hereby reserves to itself during the Declarant Control Period the right to reserve easements over, beneath, and through the Property, including over the Common Area and Limited Common Area and related facilities, for the purpose of making improvements to and developing the Property or on any additional land submitted under the Declaration, including but not limited to construction, marketing, installation and upkeep of landscaping features, entrance features, project signage, street lights, paths, trails or sidewalks or other facilities or things benefiting the Property. The Declarant reserves to itself during the Declarant Control Period the right to make any dedications and to reserve, grant, vacate, or terminate any easements, rights-of-ways and licenses as may be reasonably required by any governmental authority or to carry out the intent and design of the Declarant's plan for development of the Property, without compensation therefor.

13.6 Easements of Record. The easements provided for in this Article shall in no way affect any other recorded easement.

13.7 Limitations on Easements. In no event shall any easement granted or reserved herein be construed to or have the effect of permitting entry into the interior portion of any Unit.

ARTICLE 14 SPECIAL DEVELOPMENT RIGHTS

14.1 Intent and Purpose of Special Development Rights. In addition to any other rights granted or reserved to the Declarant in this Declaration and the other Governing Documents, and notwithstanding any covenants, conditions, restrictions, or other provisions of limitation within this Declaration, the Declarant, as the developer of the Property, is granted special development rights. These combinations of rights maximize the flexibility of the Declarant's rights and interest in developing the Property.

14.2 Expansion of the Property. The Declarant shall have the right to expand the Property by unilaterally subjecting any Additional Property, in whole, in part, or in phases, to this Declaration during the Declarant Control Period.

14.2.1 Expansion Procedure. The Declarant shall indicate its intent to have such Additional Property bound by this Declaration on the plat of such Additional Property and shall record a declaration of annexation or supplemental declaration including and subjecting such Additional Property to this Declaration. Thereafter, such Additional Property shall be considered as part of the Property in all respects, and lots therein shall constitute Units under this Declaration.

14.2.2 Use of Expansion Property. Any Additional Property annexed hereto by the Declarant shall be exclusively for residential dwellings, architecturally compatible to the existing Units, similar to the Units already constructed, constructed out of similar materials, with similar Unit size. The Declarant shall have the sole discretion as to development of the Common Area in any expansion area and may include any facilities or amenities thereon that declarant deems necessary and such Common Areas shall be owned by the Association.

14.3 Withdrawal of Property. So long as it has the right to expand the Property, Declarant has the right to remove any portion of the property which has not yet been improved with structure from the coverage of this Declaration. The procedure for such withdrawal shall follow the procedure for expansion as provided in this Article.

14.4 No Obligation to Expand or Develop. Declarant has no obligation to annex any additional land to the Property or to develop or preserve any portion of additional land in any particular way or according to any particular time schedule.

14.5 Municipal Zoning and Subdivision Approvals. The Declarant shall have the right to further subdivide the Property and to apply for any zoning or subdivision approvals or permits from Layton City, or any other applicable governmental authority with respect to the Property or any adjacent property owned by Declarant, whether or not such adjacent property is annexed into the Property. This right includes but is not limited to applying for and obtaining zoning permits, subdivision approvals, plat approvals, or approvals to amend the Plat or any plats. Further, except for any such approval that would (a) affect title to the Owner's Unit or (b) alter the boundaries of an Owner's Unit, each Owner hereby waives its right to object to any such approval sought by Declarant, and, to the extent the approval and consent of any Owner is required under state or local law each Owner agrees to sign the application or other documents required for such action.

14.6 Dedication of Common Area. Notwithstanding anything to the contrary in this Declaration, during the Declarant Control Period the Declarant shall have the unilateral right to convey, transfer, sell, assign, or otherwise dedicate all or part of any Common Area to Layton City or such other governmental entity or any third party as it deems necessary and appropriate. In the event the Common Area has already been conveyed to the Association, the Association shall approve and join in the dedication.

14.7 Declarant Business, Marketing, and Sales. Notwithstanding any provisions to the contrary contained in this Declaration or any other Governing Documents, it shall be expressly permissible for Declarant, or its written designee, to maintain such facilities and conduct such activities as in the sole opinion of Declarant may be reasonably required, convenient or incidental to the construction and sale of Units during the Declarant Control Period, and upon such portion of the Property including lots or Common Area, if any, as Declarant deems necessary, including but not limited to, a business office, storage areas, construction yard, signs, model units and sales offices. As part of the Overall program of development of the Property into a residential community and to encourage the marketing thereof, the Declarant shall have the right of use of any Units which have not been conveyed to purchasers or any Common Area thereon, including any Common Area, community buildings, without charge during the Declarant Control Period to aid in its marketing activities.

14.8 Additional Development Rights. The Declarant shall have the right to a (a) dedicate any access roads and streets serving the Property for and to public use, to grant road easements with respect thereto and to allow such street or road or road to be used by owners of adjacent land; (b) convert any part of portion of the Property to a different regime of residential ownership; or (c) create or designate additional Common Area or Limited Common Area within the Property.

14.9 Assignment of Declarant's Rights. Any and all rights and powers of the Declarant contained in this Declaration and other Governing Documents may be delegated, transferred or assigned by the Declarant, in whole or in part. To be effective, any such delegation, transfer, or assignment must be in writing, signed by Declarant, indicated the extent and nature of such assignment, and be recorded in the Office of the Davis County Recorder. The assignment may limit Declarant's rights to particular matters and reserve rights to the assigning Declarant, as set forth in the instrument of assignment.

ARTICLE 15
AMENDMENT

15.1 By Class A Members. Except as otherwise specifically provided herein, this Declaration may be amended, modified, extended, or revoked, in whole or in part, by the affirmative vote or written consent, obtained by written ballot or otherwise, or any combination thereof, of Owners representing at least 67% of the Entire Membership in the Association. Notwithstanding the above, the percentage of votes necessary to amend a specific provision shall not be less than the prescribed percentage of affirmative votes required for action to be taken under the provision.

15.2 By Declarant. Declarant has the right to unilaterally amend, modify, extend, or revoke this Declaration for any purpose during the Declarant Control Period, with or without notice to the Class A Members. Thereafter, Declarant may unilaterally amend this Declaration if such amendment is necessary (a) to bring any provision into compliance with any applicable governmental statute, rule, regulation, or judicial determination; (b) to enable any reputable title insurance company to issue title insurance coverage on any Unit; (c) to enable any institutional or governmental lender, purchaser, insurer, or guarantor of mortgage loans to make, purchase, insure, or guarantee mortgage loans on any Unit; (d) to satisfy the requirements of any local, state, or federal governmental agency; or (e) to correct any scrivener's error. However, any such amendment occurring after the Declarant Control Period shall not adversely affect the title to any unit unless the Owner shall consent in writing. Declarant's right to amend shall be construed liberally and shall include, without limitation, the right to amend and/or restate this Declaration in part or in its entirety.

15.3 By the Board. The Board has the right, after the Declarant Control Period, to unilaterally amend this Declaration if such amendment is necessary to bring any provision into compliance with any applicable governmental statute, rule, regulation, or judicial determination.

15.4 Validity. No amendment made during the Declarant Control Period shall be effective unless the Declarant provides its prior express written consent to such amendment, which consent is within Declarant's sole and absolute discretion. Any procedural challenge to an amendment made by the Board must be made within six months of its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of this Declaration.

15.5 Effective Date. Unless a later effective date is specified in the amendment, any amendment shall be immediately effective upon recording in the office of the Davis County Recorder a copy of such amendment accompanied by a verified certificate of the secretary of the Association stating that the required number of votes or consent was obtained and that a record of such votes or originals of the consents will be placed on file in the Association's office. In the case of unilateral amendment of Declarant as provided for herein, such amendment shall be

immediately effective upon recording in the office of the Davis County Recorder a copy of such amendment signed and verified by the Declarant.

ARTICLE 16
ENFORCEMENT

16.1 Violations Deemed a Nuisance. Every violation of this Declaration or any rule, regulation, or resolution established pursuant to the authority of this Declaration is deemed a nuisance and is subject to all the remedies provided for the abatement or correction of the violation provided for in this Declaration, any rule regulation, or resolution, or by law or equity.

16.2 Legal Action Authorized. The Association, through the Board, the Declarant, and any Owner, shall have the right to enforce, by any proceeding at law or in equity, all provisions of this Declaration or any rule, regulation, or resolution established pursuant to the authority of this Declaration, including all charges and liens now or hereafter imposed pursuant to the authority of this Declaration, against any person, persons, or entities violation or attempting to violate any provisions of this Declaration or any rule, regulation, or resolution established pursuant to the authority of this Declaration, to restrain or abate or otherwise recover damages for the violation, and against the land to enforce any charge or lien created by this Declaration. In addition to taking legal action, the Declarant and the Board shall have the right to grant variance and stay enforcement proceedings against any Owner on a case-by-case basis when they determine such action is in the best interests of the Association.

16.3 Fines and Penalties. The Board may levy a fine or penalty against any Owner when said Owner, or the Owner's guests, tenants or invitees fail to refrain from violating this Declaration or any rule or regulation established pursuant to the authority of this Declaration. Such fine or penalty shall be in an amount that is specifically provided for in a fine schedule adopted, and amended from time to time, by the Board. The Board may establish time frames and requirements for written notice, hearings, and cure periods (in accordance with Utah Code 57-8a-208 for Owners in violation prior to levying such fine or penalty, which notice shall be at least 48 hours. Any fine or penalty levied by the Board that is not paid within 30 days (such time period shall be stayed should the Governing Documents require any period to cure or for notice and hearing) shall be recoverable by the Association in the same manner as an assessment under Article 4, and shall create a lien in favor of the Association against the Owner's Unit in the same manner as an assessment.

16.4 Attorney Fees and Costs. Any fine or penalty levied against an Owner for any violation shall include any attorney fees and costs incurred by the Association with respect to such violation. The prevailing party in any action to enforce this Declaration or any rule or

regulation established pursuant to the authority of this Declaration shall be entitled to an award of reasonable attorney fees and costs incurred in such action.

16.5 Nonexclusive Remedies. All the remedies set forth in this Declaration are cumulative and not exclusive to any others provided elsewhere in the Governing Documents, the Community Association Act, or by other applicable laws and ordinance.

16.6 Non-Liability. The Board, officers, or Members of the Association shall not be liable to any Owner, tenant, member or other individual for a mistake in judgment, or for any negligence or nonfeasance arising in connection with the performance or nonperformance of duties under the Governing Documents or the Community Association Act.

16.7 Arbitration; Mediation. The Board may, by rule or resolution, establish procedures for mandatory mediation or arbitration to settle disputes between and among the Association and Owners. Any such rule or resolution shall operate prospectively only.

ARTICLE 17 GENERAL PROVISIONS

17.1 Implied Rights; Board Authority. The Association may exercise any right or privilege given to it expressly the Governing Documents, or reasonably implied from a reasonably necessary to effectuate any such right or privilege. All rights and powers of the Association may be exercised by the Board without a vote of the membership except where applicable law or the Governing Documents specifically require a vote of the membership.

17.2 Disclaimer of Liability. The Association shall not be liable for any failure of service to be obtained by the Association or paid for as a Common Expense, or for personal injury or property damage caused by the elements, any Owner, or any other person resulting from electricity, water, snow, or ice which may leak or flow from or over any of the Property or from any pipe, drain, conduit, appliance, or equipment, or any secondary or consequential damages of any type. No diminution, offset, or abatement of any assessment shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the Property by the Association or from any action taken by the Association to comply with any law, ordinance, or with the order or directive of any governmental authority.

17.3 Dates and Times. In computing any period of time prescribed or allowed by the Governing Documents, the day of the act, event, or default from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included, unless it is a Saturday, a Sunday, or a state or federal holiday, which event the period

runs until the end of the next day that is not a Saturday, a Sunday, or a state or federal holiday. The deadline of the last day of the period so computed shall be 5:00 P.M., Mountain Time.

17.4 Interpretive Conflicts. In the event of any conflict between the provisions of any of the Governing Documents, the documents shall control in the following order of authority: (1) the Plat; (2) Declaration; (3) the Articles; (4) the Bylaws; and (5) any rule, regulation, or resolution passed pursuant to the authority of the foregoing documents. A conflict exists when two provisions covering the same subject matter have different conditions or requirements that cannot be reconciled.

17.5 Severability. All of the terms and provisions of this Declaration shall be construed together, but if any one of said terms and provisions, or any part thereof, shall at any time be held invalid, or for any reason become unenforceable, no other terms and provisions, or any part thereof, shall be thereby affected or impaired; and the Declarant, Association and Owners, their successors, heirs and assigns shall be bound by each term and provision of this Declaration, irrespective of the invalidity or enforceability of any other term or provision.

17.6 Duration. The covenants, conditions, restrictions, and easements of this Declaration shall run with and bind the Property, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any Unit subject to this Declaration, their respective legal representatives, heirs, successors, and assigns for a term of fifty (50) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years.

17.7 Notices. Any notice required to be sent under the provisions of this Declaration shall be deemed to have been properly sent when deposited in the U.S. Mail, postage prepaid, to the last known address of the person who is entitled to receive it. The Board may provide notification via electronic communication or transmission (such as e-mail) to Owners in lieu of notice by mail. In addition, the Board may require that Owners maintain a current email address with the Board for such purpose. Notwithstanding these provisions, a Unit Owner may, by written demand, require the Association to provide notice to the Unit Owner by mail.

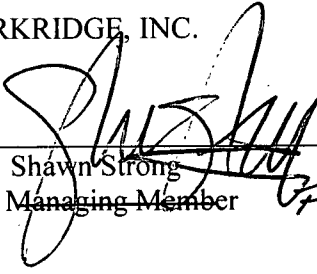
17.8 Gender and Grammar. The singular, wherever used herein, shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case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

17.9 Waivers. No provisions contained in this Declaration shall be deemed to have been waived by reason of any failure to enforce it, irrespective of the number of violations which may occur.

17.10 Topical Headings. The topical headings contained in any article, section, or subsection of this Declaration are for convenience only and do not define, limit, or construe the contents of this Declaration or any provision hereof.

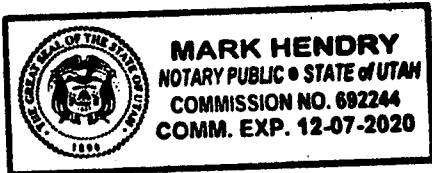
IN WITNESS WHEREOF, the Declarant has approved the adoption of this Declaration and has therefore executed this Declaration this 10 day of JULY, 2018.

PARKRIDGE, INC.


By: Shawn Strong
Its: Managing Member **PRESIDENT**

STATE OF UTAH)
:SS
COUNTY OF DAVIS)

The foregoing instrument was acknowledged before me on this 10th day of JULY, 2018, by Shawn Strong who declared to me that she/he is the Managing PRESIDENT Member of PARKRIDGE, INC.




Notary Public

**EXHIBIT A
PROPERTY DESCRIPTION**

BOUNDARY DESCRIPTION

BEGINNING AT A POINT THAT IS SOUTH 89°55'00" WEST ALONG THE QUARTER SECTION LINE 1058.83 FEET FROM THE EAST QUARTER CORNER OF SECTION 8, TOWNSHIP 4 NORTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE SOUTH 100.00 FEET; THENCE WEST 200.00 FEET TO THE EAST RIGHT-OF-WAY LINE OF HILL FIELD ROAD (STATE ROAD 232); THENCE NORTH ALONG SAID EAST RIGHT-OF-WAY LINE 393.95 FEET TO THE SOUTH LINE OF THE KAYS CREEK IRRIGATION COMPANY PROPERTY AS DESCRIBED IN THAT CERTAIN DEED IN BOOK 475 AT PAGE 411; THENCE ALONG SAID SOUTH LINE THE FOLLOWING TWO (2) COURSES: SOUTH 75°26'00" EAST 180.30 FEET; THENCE SOUTH 73°16'00" EAST 26.62 FEET TO THE WEST LINE OF THE BOARD OF EDUCATION OF DAVIS SCHOOL DISTRICT PROPERTY; THENCE SOUTH 240.94 FEET TO THE POINT OF BEGINNING.

CONTAINS 73,568.54 SQ/FT OR 1.69 ACRES

**EXHIBIT B
BYLAWS OF
RIDGE AT KNIGHTS COURT HOMEOWNERS ASSOCIATION**

ARTICLE I

PLAN OF LOT OWNERSHIP AND INCORPORATION

1. Submission. These are the Bylaws referred to in the foregoing Declaration of Covenants, Conditions and Restrictions for RIDGE AT KNIGHTS COURT HOMEOWNERS ASSOCIATION (the "Declaration"), which is located in Layton, Davis County, State of Utah. These Bylaws shall govern the administration of the Project and Association.
2. Organizational Form. The Association shall be incorporated under the laws of the State of Utah, then these Bylaws shall also function and operate as the Bylaws of the corporation.

ARTICLE II

ASSOCIATION

1. Composition. The association of lot owners is a mandatory association consisting of all Owners.
2. Annual Meeting. The annual meeting of the Association shall be held annually after termination of the Period of Declarant Control.
3. Special Meetings. Special meetings of the Association may be called by the President of the Association, any two (2) members of the Board, or by the written petition of at least twenty-five percent (25%) of the Owners.
4. Place of Meeting. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place as may be designated by the Board from time to time and stated in the notice of meeting.
5. Notice of Meeting. It shall be the duty of the Secretary or their designated representative to hand deliver or mail to each owner at his last known address, by regular U.S. mail postage prepaid, a notice of (a) each annual meeting and special meeting of the Association not less than

ten (10) and not more than sixty (60) days in advance of such meeting. The mailing of a notice of meeting in the manner provided in this Section shall be considered service of notice.

6. Informal Action by Members. Any action that is required or permitted to be taken at a meeting of the Members may be taken without a meeting, if a consent in writing, setting forth the action so taken, shall be signed by a majority of the Members entitled to vote with respect to the subject matter thereof.

7. Proxies. The votes appertaining to any Lot may be cast pursuant to a proxy or proxies duly executed by or on behalf of the Lot Owner, or in cases where the Owner is more than one person, by or on behalf of all such persons. Any proxy shall be void if it is not dated, if it purports to be revocable without notice, or if it is not signed by a person having authority, at the time of the execution thereof, to execute deeds on behalf of that person. Unless it expressly states otherwise, a proxy shall terminate automatically (a) if the Owner attends the meeting in person, (b) it is revoked in writing and written notice of the revocation is given to the Secretary of the Association prior to the meeting, and (c) upon the adjournment of the first meeting held on or after the date of that proxy. Each proxy must be filed with the Association prior to the meeting. Only individual Owners or the legal representative of an institutional Owner may be proxies.

8. Quorum Voting. Those Owners present, either in person or by proxy, at a meeting shall constitute a quorum for the adoption of decisions.

9. Order of Business. The order of business at all meetings of the Association shall be determined by the Board.

10. Conduct of Meeting. The President shall, or in his absence the Vice-President, preside over all meetings of the Association; and the Secretary shall keep the minutes of the meeting as well as record of all transactions occurring thereat.

ARTICLE III

BOARD

1. Powers and Duties. The affairs and business of the Association shall be managed by the Board. The Class B Member shall be entitled to appoint members of the Board of Directors during the Period of Declarant Control. The Board shall have all of the powers and duties necessary for the administration of the affairs of the Association in accordance with the provisions of the Declaration and may do all such acts and things necessary to operate and

maintain the Project. The Board shall have the power from time to time to adopt any Rules and Regulations deemed proper for the exercise of its management powers. The Board may delegate its authority to a manager or managers. Subject to any limitations or provisions contained in the Declaration, the Board shall be responsible for at least the following:

- a) Preparation of an annual budget, in which shall be established each Owner's share of the Common Expenses.
- b) Establishing the Assessment of each Owner, the means and methods of collecting Assessments from the Owners, and the method of payment. Unless otherwise determined by the Board, each Owner's common area fee may be payable in annual installments, due and payable in advance on the first day of each year. However, in the event an Owner fails to make an installment payment in a timely manner or the Association deems itself insecure, then the entire annual Assessment may be accelerated by the Board and shall thereafter be automatically due and payable without further notice. The Board may subsequently elect to de-accelerate the obligation in whole or in part.
- c) Providing for the operation, care, upkeep, replacement, maintenance, and regulation of all the Common Areas and Facilities.
- d) Designating, hiring, and dismissing the personnel necessary to operate and maintain the Project.
- e) Collecting and depositing the Assessments.
- f) Making, amending, and enforcing the Rules and Regulations.
- g) Opening and closing of bank accounts for and in behalf of the Association, and designating the signatories required therefore.
- h) Making, or contracting for the making of, repairs, additions, and improvements to, or alterations of, the Property and repairs to, and restoration of, the Property, in accordance with the Declaration and other provisions of the Bylaws, after damage or destruction by fire or other casualty.
- i) Enforcing by legal means the Project Documents.
- j) Purchasing and maintaining insurance.

k) Paying the cost of all services rendered to the Project and not billed directly to Owners or individual Lots.

l) Keeping books and records with detailed accounts of the receipts and expenditures affecting the Property, and the administration of the Project, specifying the maintenance and repair expenses of the Common Areas and any other expenses incurred. All books and records shall be kept in accordance with generally accepted accounting practices, and the same, upon a resolution approved by a majority of the Members of the Association or majority of the Board, shall be formally audited by an outside auditor employed by the Board who shall not be a resident of the Project or an Owner therein. The cost of such Audit shall be a Common Expense. Copies of books and records, financial statements, reports, compilations, and Audits shall be supplied to any first mortgagee of any Lot in the Project who requests the same in writing from the Secretary. A mortgage holder, at its expense, may have an Audited financial statement prepared at any time.

m) Providing, where necessary, all water, electricity, and other necessary utility services for the Common Areas.

n) Paying any amount necessary to discharge any mechanic's lien or other encumbrance levied against the Property, or any part thereof, which may in the opinion of the Board constitute a lien against the Property or against the Common Areas, rather than merely against the particular Lot. When one or more Owners are responsible for the existence of such a lien, they shall be jointly and severally liable for the cost of discharging it and any costs incurred by the Board by reason of said lien or liens shall be specially assessed to said Owners and shall, until paid by said Owners, constitute a lien on the interest of said Owners in the Property which lien may be perfected and foreclosed in the manner provided in the Declaration.

o) Giving notice of and conducting hearings on alleged violations of the Project Documents, sanction, cite, or fine Owners, occupants and residents.

p) Making emergency repairs.

q) At the sole expense and risk of the owner, impounding, immobilizing, towing or otherwise removing any motor vehicle parked, stored or standing in violation of the parking rules and regulations or in an unauthorized area.

r) Establishing and collecting user fees.

s) Doing such other things and acts necessary to accomplish the foregoing and not inconsistent with the Declaration or Bylaws, or to do anything required by a proper resolution of the Board or Association.

2. Composition of Board. The Board shall be composed of three (3) members. The Class B Member shall be entitled to appoint members of the Board of Directors during the Class B Control Period.

3. Election and Term of Office of the Board. The term of office of membership on the Board shall be three (3) years. At the first Annual Meeting after the expiration of the Period of Declarant's Control, the terms of the Board shall be staggered so that the terms of one-third of the Board will expire and successors will be elected at each annual meeting of the Association as provided in these Bylaws. Thereafter, at such annual meetings, successors to the Board whose terms then expire shall be elected to serve terms of three (3) years.

4. First Meeting. The first meeting of the members of the Board shall be following the annual meeting of the Association or at such other time and place designated by the Board.

5. Regular Meetings. Regular meetings of the Board shall be held from time to time and at such time and place as shall be determined by a majority of the members of the Board.

6. Special Meetings. Special meetings of the Board may be called by the President, or two of the members on at least forty-eight (48) hours prior notice to each member. Such notice shall be given personally, by regular U.S. Mail postage prepaid, electronically (including, but not limited to, email, text message, etc.) or by telephone, and such notice shall state the time, place and purpose of the meeting. Any meeting attended by all members of the Board shall be valid for any and all purposes.

7. Waiver of Notice. Before or at any meeting of the Board, any member may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member at any meeting of the Board shall constitute a waiver of notice. If all the members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

8. Board's Quorum. At all meetings of the Board, a majority of the members then in office shall constitute a quorum for the transaction of business, and the acts of the majority of all the Board members present at a meeting at which a quorum is present shall be deemed to be the acts of the Board.

9. Vacancies. Vacancies in the Board caused by any reason other than removal of a member by a vote of the Association shall be filled by vote of the majority of the remaining members of the Board at a special meeting of the Board held for that purpose after the occurrence of any such vacancy, even though the total members remaining may constitute less than a quorum of the Board; and each person so elected shall be a member for the remainder of the term of the member so replaced. A vacancy created by the removal of a member by a vote of the Association shall be filled by the election and vote of the Association.

10. Removal of Board Member. A member of the Board may be removed with or without cause, and his successor elected, at any duly called regular or special meeting of the Association by an affirmative vote of a majority of all the members of the Association. Any member whose removal has been proposed by the Owners shall be given at least thirty days notice of the calling of the meeting and the purpose thereof and an opportunity to be heard at the meeting. Any Board Member who misses thirty three percent (33%) or more of the Board Meetings or who misses three (3) consecutive meetings, in any calendar year, shall be automatically removed from the Board.

11. Conduct of Meetings. The President shall preside over all meetings of the Board and the Secretary shall keep minutes of the Board meetings.

a) Open Meetings Policy. A portion of each meeting of the Board shall be open to all members of the Association, but Owners other than members of the Board may not participate in any discussion or deliberation unless expressly so authorized by a majority of a quorum of the Board.

b) Executive Session. The Board may, with approval of a majority of a quorum, adjourn a meeting and reconvene in an Executive Session to discuss and vote upon private, confidential, sensitive or personnel matters, litigation, and orders of business of a similar nature. The nature of any and all business to be considered in an Executive Session shall first be announced in open session.

c. Action Without A Formal Meeting. Any action to be taken at a meeting of the Board may be taken without a meeting if approved by all members of the Board.

12. Compensation. Board members shall not be compensated for their services as such, but shall be reimbursed for all expenses reasonably incurred in connection with Board business and approved by the Board.

ARTICLE IV

OFFICERS

1. Designation. The principal officers of the Association shall be a President, a Vice-President, and a Secretary/Treasurer, all of whom shall be elected by and from among the Board. The Board may appoint assistant secretaries and such other officers as in its judgment may be necessary. Two or more offices may be held by the same person, except that the President shall not hold any other office.
2. Election of Officers. The officers of the Association shall be elected annually by the Board. Any vacancy in an office shall be filled by the Board at a regular meeting or special meeting.
3. Removal of Officers. The officers shall hold office until their respective successors are chosen and qualify in their stead. Any officer elected or appointed by the Board may be removed at any time by the affirmative vote of a majority of the Board, and his successor may be elected at any regular meeting of the Board, or at any special meeting of the Board called for such purposes.
4. President. The President shall be the chief executive officer; he shall preside at meetings of the Association and the Board; he shall have general and active management of the business of the Board and shall see that all orders and resolutions of the Board are carried into effect. He shall have all of the general powers and duties which are usually vested in or incident to the use of president of a stock corporation organized under the laws of the State of Utah.
5. Vice-President. The Vice-President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President, and shall perform such other duties as the Board or the President shall prescribe. If neither the President nor the Vice President is able to act, the Board shall appoint a member of the Board to do so on an interim basis.
6. Secretary. The secretary shall attend all meetings of the Board and all meetings of the Association and record all votes in the minutes. He shall give, or cause to be given, notices for all meetings of the Association and the Board and shall perform such other duties as may be prescribed by the Board. The Secretary shall compile and keep current at the principal office of the Association, a complete list of the Owners and their last known post office addresses.

7. Treasurer. The Treasurer shall have custody of all funds and securities that are not under the control of the Managing Agent, and with the assistance of the Managing Agent, shall keep full and accurate records of receipts and disbursements, shall prepare all required financial data, and shall deposit all monies and other valuable effects in such depositories as may be designated by the Board. He shall, with the assistance of the Managing Agent disburse funds as ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and members, at the regular meetings of the Board, or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Project.

8. Compensation. Officers shall not be compensated for their services as such, but shall be reimbursed for all expenses reasonably incurred in connection with Board business and approved by the Board.

ARTICLE V

FISCAL YEAR

The fiscal year of the Association shall be the calendar year consisting of the twelve (12) month period commencing on January 1 of each year terminating on December 31 of the same year. A separate budget year may be implemented by the Board for ease in communicating at the Annual Meeting the past year's financials and upcoming year's budget. The fiscal and budget year herein established shall be subject to change by the Board should it be deemed advisable or in the best interests of the Association.

ARTICLE VI

AMENDMENT TO BYLAWS

1. Amendments. These Bylaws may be modified or amended either (a) by the affirmative vote of a majority of the members of the Association present in person or by proxy at a meeting called for that purpose or (b) pursuant to a written instrument of consent duly executed by a majority of the members of the Association provided all of the written consents are obtained within a ninety day period.

2. Recording. An amendment to these Bylaws shall become effective immediately upon recordation in the Office of the County Recorder of Salt Lake County, State of Utah.

ARTICLE VII

NOTICE

1. Manner of Notice. All notices, demands, bills, statements, or other communications provided for or required under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or sent by regular U.S. Mail postage pre-paid, a) if to an Owner, at the address of his Lot and at such other address as the Owner may have designated by notice in writing to the Secretary; or b) if to the Board or the Manager, at the principal office of the Manager or at such other address as shall be designated by notice in writing to the Owners pursuant to this Section.
2. Waiver of Notice. Whenever any notice is required to be given under the provisions of the statutes, the Declaration, or of these Bylaws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether signed before or after the time stated therein, shall be deemed equivalent thereto, unless such waiver is ineffective under the provisions of the Declaration.

ARTICLE VIII

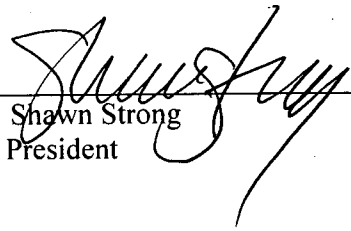
COMPLIANCE, CONFLICT, AND MISCELLANEOUS PROVISIONS

1. Conflict. These Bylaws are subordinate and subject to all provisions of the Declaration. All of the terms hereof, except where clearly repugnant to the context, shall have the same meaning as they are defined to have in the Declaration. In the event of any conflict between these Bylaws and the Declaration, the provision of the Declaration shall control.
2. Waiver. No restriction, condition, obligation, or provision of these Bylaws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.
3. Captions. The captions contained in these Bylaws are for convenience only and are not part of these Bylaws and are not intended in any way to limit or enlarge the terms and provisions of these Bylaws.
4. Interpretation. Whenever in these Bylaws the context so requires, the singular number shall refer to the plural and the converse; and the use of any gender shall be deemed to include both masculine and feminine; and the term "shall" is mandatory while the term "may" is permissive.

5. Severability. The invalidity of any one or more phrases, sentences, subparagraphs, subsections or sections hereof shall not affect the remaining portions of this instrument or any part thereof, and in the event that any portion or portions of this document should be invalid or should operate to render this document invalid, this document shall be construed as if such invalid phrase or phrases, sentence or sentences, subparagraph or subparagraphs, paragraph or paragraphs, subsection or subsections, or section or sections had not been inserted.

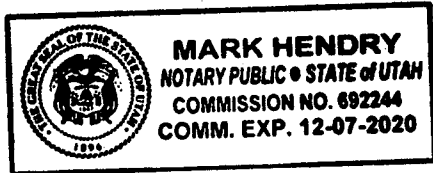
IN WITNESS WHEREOF, the Declarant has approved the adoption of these Bylaws and has therefore executed this Declaration this 10 day of JULY, 2018.

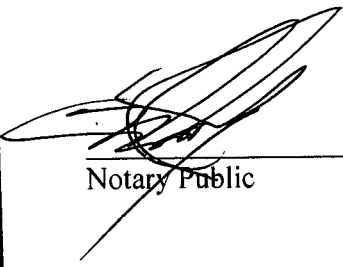
PARKRIDGE, INC.


By: Shawn Strong
Its: President

STATE OF UTAH)
 :SS
COUNTY OF DAVIS)

The foregoing instrument was acknowledged before me on this 10th day of JULY, 2018, by Shawn Strong who declared to me that she/he is the Managing Member of PARKRIDGE, INC.




Notary Public