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Jeffery Smith
Utah County Recorder
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QUAIL MEADOWS HOMEOWNERS ASSOCIATION (QMHOA)

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COVENANTS, CONDITIONS, AND RESTRICTIONS (CC&Rs) APRIL 2017

COMMUNITY ASSOCIATION

It is the policy of the Association to maintain and improve the appearance and character of the community by enforcing the Covenants, Conditions and Restrictions (CC&Rs) and to provide a safe and secure environment for its members and their families.

**AMENDED AND RESTATED DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTIONS (CC&Rs)
FOR QUAIL MEADOWS PLANNED UNIT DEVELOPMENT**

April 10, 2017

This document supersedes in its entirety the **SUPPLEMENT TO THE AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS** dated June 16, 2011 and recorded on June 20, 2011 in the Utah County Recorder's Office as Entry No. 45058:2011. This document shall apply to the real property described and shown on attachment 4 (the 'Plat'). This Declaration has been approved by a vote in excess of two-thirds (2/3) of the members of the Association as dictated by Article III, Section 3 and 4 and Article XI, Section 2 of this Declaration.

RECITALS

WHEREAS, the original Declaration of Covenants, Conditions, and Restrictions for Quail Meadows Planned Unit Development (the "Declaration") was recorded in the office of the Utah County Recorder on February 23, 2001 as Entry No. 16613:2001; and

WHEREAS, the Amended and Restated Declaration of Covenants, Conditions, and Restrictions for Quail Meadows Planned Unit Development was recorded in the office of the Utah County Recorder on July 18, 2002 as Entry No. 81760:2002; superseding the original Declaration; and

WHEREAS, the Amended and Restated Declaration of Covenants, Conditions, and Restrictions for Quail Meadows Planned Unit Development was recorded in the office of the Utah County Recorder on August 31, 2006 as Entry No. 114386:2006; superseding the prior Declaration; and

WHEREAS, the Amended and Restated Declaration of Covenants, Conditions, and Restrictions for Quail Meadows Planned Unit Development was recorded in the office of the Utah County Recorder on July 1, 2009 as Entry No. 72462:2009; superseding the prior Declaration; and

WHEREAS, the Association desires to amend and restate the Amended and Restated Declaration of Covenants, Conditions, and Restrictions for Quail Meadows Planned Unit Development as set forth herein; and

WHEREAS, the Association represents the Owners of certain real property in Utah County, Utah, that has been developed as a planned unit development known and to be known as Quail Meadows Twin-homes Planned Unit Development; and

WHEREAS, the Association desires to provide for the preservation of property values and amenities within the Development and for the maintenance of open spaces and any other Common Areas or facilities to be developed as part of the Development; and to this end desires to subject the real property to the covenants, conditions, restrictions, uses, limitations, obligations, servitudes, easements, charges, liens, and other provisions (herein all together called "Covenants, Conditions, and Restrictions") set forth in this Declaration, each and all of which is and are for the benefit of the real property and the current or subsequent Owners thereof; and

NOW, THEREFORE, the Amended and Restated Declaration of Covenants, Conditions, and Restrictions for Quail Meadows Planned Unit Development are hereby amended and restated in their entirety as

**AMENDED AND RESTATED DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTIONS (CC&Rs)
FOR QUAIL MEADOWS PLANNED UNIT DEVELOPMENT**

April 10, 2017

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

ARTICLE I DEFINITIONS

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

1. Architectural Control Committee (ACC) shall be a group composed of Board approved Owners. The Chair will be a member of the Board. The committee will insure that all improvements and landscaping within the Property harmonize with existing surroundings and structures.
2. Articles shall mean and refer to the Articles of Incorporation of the Association, which are filed with the Utah Department of Commerce, as amended from time to time.
3. Association shall mean QUAIL MEADOWS AT TRI-CITY TWIN-HOMES HOMEOWNERS ASSOCIATION, INC. (QMHOA), a Utah non-profit corporation, Entity ID #6015456-0140, and its successors and assigns.
4. Board shall mean the Board of Directors of the Association.
5. Bylaws shall mean the Bylaws of the Association, as amended from time to time.
6. Common and Private Areas.
 - a. Common Areas shall mean all portions of the Property within the Development except for areas designated as Private Area on the Plat, and shall include all property owned by the Association for the common use and enjoyment of the Owners such as all common recreational facilities, undedicated roads or streets, open spaces, structural common areas and the like, together with all easements appurtenant thereto.
 - b. In lieu of revising the current Plat; all visual or in print reference to Limited Common Area, on the Plat of record or otherwise, shall be considered as Private Area within the definition of contiguous improvements to a Living Unit as defined in Article I (10) as amended.
 - c. Private Areas shall mean areas identified on the Plat designated for a Living Unit confined to the footprint of the vertical construction supported by the concrete foundation to include the garage floor together with the contiguous improvements to a Living Unit as defined in Article I (10) as amended.
7. Declaration shall mean this "Amended and Restated Declaration of Covenants, Conditions, and Restrictions for Quail Meadows Planned Unit Development".
8. Development shall mean the Quail Meadows Twin-Homes Planned Unit Development as it exists at any given time.

9. Governing Documents shall mean this Declaration of Covenants, Conditions, and Restrictions (CC&Rs) along with the Articles of Incorporation, Bylaws, rules, regulations, and any attachments created for the Association.

10. Living Unit shall mean a residential structure that is designed and intended for use and occupancy as a single family residence, together with all contiguous improvements. Contiguous improvements shall be maintained by the owner of the Living Unit and are defined as follows:

- a. Driveways,
- b. Air Conditioner Concrete Pads,
- c. Rear Concrete Patios,
- d. Rear Decks & Concrete Supports,
- e. Concrete Window Wells, and
- f. Stairways & Landings providing ingress or egress to residences, patios or decks.

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

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

13. Mortgage shall mean any first Mortgage, first deed of trust or trust deed or the act of encumbering any Property by a Mortgage, deed of trust or trust deed.

14. Mortgagee shall mean any first Mortgagee of a Mortgage and any trustee or beneficiary of a first deed of trust or trust deed.

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

16. Plat shall mean and refer to Quail Meadow at Tri-City Planned Unit Development identified as attachment 4 as amended or supplemented.

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

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

19. Residency shall mean continuous occupancy by the Owner or Allowed Lessee. Continuous shall mean the uninterrupted use by Owner or Allowed Lessee. The term "uninterrupted" takes into consideration

what can be considered traditional travel or vacation time consistent with the Living Unit being the occupant's primary residence and is not meant to conflict with any other provisions within the CC&Rs.

ARTICLE II THE ASSOCIATION

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

2. Meetings. The Association may meet annually to elect members to the Board, review finances, and conduct general business. In addition, a semi-annual meeting may also be held for such purposes.

ARTICLE III MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

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

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

3. Voting Rights. All Owners shall be entitled to one vote for each Lot which the interest required for membership in the Association is held. Lessees, as allowed by this Declaration or by law, are not entitled to vote.

4. Multiple Ownership Interests. In the event there is more than one Owner of a particular Lot, the vote relating to such Lot shall be exercised as such Owners may determine among themselves, but in no event shall more than one vote be cast with respect to any Lot. A vote cast at any Association meeting by any of such Owners, whether in person or by proxy, shall be conclusively presumed to be the entire vote attributable to the Lot concerned unless an objection is made at the meeting by another Owner of the same Lot. If the multiple Owners fail to reach agreement as to the vote to be cast, the vote shall not be considered or counted.

ARTICLE IV DUTIES AND POWERS OF THE ASSOCIATION

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

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

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

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

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

a. The Association shall have the power and authority, at any time and from time to time and without liability to any Owner for trespass, damage or otherwise, to enter upon any Living Unit for the purpose of maintaining and repairing such Living Unit or any improvement thereon if, and only if, there is probable cause that a situation exists that compromises, or appears likely to compromise, the health, safety or integrity of the structure or the Development as a whole. The Association shall also have the power and authority from time to time in its own name, on its own behalf, or in the name and behalf of any Owner or Owners who consent thereto, to commence and maintain actions and suits to restrain and enjoin any breach or threatened breach of this Declaration or any rules and regulations promulgated by the Board, or to enforce by mandatory injunction or otherwise all of the provisions of this Declaration and such rules and regulations.

b. In fulfilling any of its duties under this Declaration, including its duties for the maintenance, repair, operation or administration of the Common Areas, or in exercising any of its rights, the Association, in the fulfillment of any of its obligations and duties of maintenance, repair, operation or administration, shall obtain, contract, and pay for, or otherwise provide for:

- i. such insurance policies or bonds as the Board may deem appropriate for the protection or benefit of, the Association, the members of the Board, and the Owners;
- ii. such utility services, including (without limitation) water, sewer, trash removal, electrical, telephone, and gas services, as the Board may from time to time deem desirable;
- iii. the services of architects, engineers, attorneys and certified public accountants and such other professional or nonprofessional services as the Board may deem desirable;
- iv. landscape maintenance of Common Areas and snow removal.
- v. fire, police, and such other protection services as the Board may deem desirable for the benefit of the Owners or any of the Property; and
- vi. such materials, supplies, equipment, services, and labor as the Board may deem necessary.

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

3. Association Rules and Bylaws. The Board may from time to time, and subject to the provisions of this Declaration, adopt, amend, repeal, and enforce Bylaws, rules, and regulations governing, among other things:

- a. the use of any roads or utility facilities owned by the Association;
- b. the collection and disposal of refuse;
- c. the maintenance of animals on the Property; and
- d. other matters concerning the use and enjoyment of the Property and the conduct of residents within the Development.

Any adoption, amendment, or repeal would require approval by a majority of the Owners.

4. Financial Controls, Reports and Audits. The Board shall provide financial reports and oversight over the administration and expenditure of Association funds as follows:

- a. The Treasurer shall provide semi-annual financial reports, via email or in hardcopy, to the Association members each year. Reports shall include information regarding receipts, expenditures, balances, projections, etc. Owners may request copies of monthly financial reports.
- b. The Treasurer shall, at the annual membership meeting, provide a report on the financial condition of the Association and a proposed budget and assessment recommendations for the succeeding year. The proposed annual budget shall be approved by a majority of Association members represented, either in person or by proxy.
- c. Association approval of the proposed annual budget authorizes the Board to expend funds for goods and/or services so indicated.
 - i. Each expense over seven hundred and fifty dollars (\$750), whether budgeted or non-budgeted, shall require a written contract detailing the terms, conditions, and limits of the services to be provided.
 - ii. Non-budgeted expenses over seven hundred and fifty dollars (\$750) must be approved by a majority of the Association membership.
 - iii. All expenditures require the written approval of two (2) Board members.
- d. Annually, the Board shall appoint an Internal Audit Committee consisting of three (3) Association members who are not members of the Board. This Committee shall review financial statements and other financial records of the Association and present a report of their findings at the annual membership meeting.

5. Election of Board of Directors. The Board of Directors shall consist of five members. On an on-going basis, as the terms of service of Board members expire, replacements shall be elected by the Association membership. All Owners are encouraged to participate in the governing process unless restricted by health or other applicable issues. The selection process, election, and terms of service are identified as follows:

- a. Elections shall be conducted at the annual membership meeting. Newly elected members of the Board shall begin their term of service the day following their election.
- b. New Board members shall be elected by a majority of Association members represented at the meeting, either in person or by proxy. All votes shall be kept confidential.
- c. The Board shall choose its own officers from those elected by the membership. Officers may include, but are not limited to, Chair, Vice-Chair, Secretary, Treasurer, and Member-at-Large.
- d. Terms of service will be two (2) years with a two (2) term maximum.
- e. The Vice-Chair may assume the duties of Chair upon the expiration of the term of service of the then-current Chair.
- f. From time to time, elected Board members may become unavailable to complete their terms of service due to personal choice or factors beyond their control. Upon receipt of notice or knowledge

that one or more members of the Board have resigned, the remaining Board members may appoint other persons to serve on the Board.

g. Such appointed Board members shall only serve until a replacement is elected by the members at the next annual membership meeting.

h. The replacement(s) will serve out the original term of service of the member(s) being replaced. Their service as a replacement will not prevent them from standing for election for an additional two terms.

i. Due to the relatively small number of Association members and the close physical nature of the community, 'staggered terms' are not considered applicable.

j. No later than September 30th of each year the Board will inform the Association membership of any Board member(s) whose term will expire consistent with the next annual membership meeting. Notice can be accomplished in person, by telephone, by email or by US Mail.

k. Any Association member having a desire to replace a Board member whose term is expiring may place their name in nomination by contacting the Board no later than October 20th of the current year. Providing an insufficient number of Association members places their name(s) in nomination, Association members will be solicited by the Board, or a select committee, to be voted on to fill pending vacancies. All nominations will be communicated to the Association members by the Board no later than October 30th; in person, by telephone, by email or US Mail.

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

ARTICLE V ASSESSMENTS

1. Personal Obligation and Lien. Each Owner shall, by acquiring or in any way becoming vested with his interest in a Lot and Living Unit, be deemed to tenant and agree to pay to the Association the monthly, special and Reimbursement Assessments described in this Article, together with late payment fees, interest and costs of collection, if and when applicable. All such amounts shall be, constitute, and remain: (a) a charge and continuing lien upon the Lot with respect to which such assessment is made until fully paid; and (b) the personal joint and several obligation of the Owner or Owners of such Lot at the time the assessment falls due. No Owner may exempt himself or his Lot from liability for payment of assessments by waiver of his rights in the Common Areas or by abandonment of his Lot and Living Unit. In a voluntary conveyance of a Lot and Living Unit, the grantee shall be jointly and separately liable with the grantor for all such unpaid assessments, late payment fees, interest and cost of collection, including reasonable attorney fees which shall be a charge on the Lot at the time of the conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee thereof.

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

3. The Monthly Assessment. Contact the Board for information regarding the current monthly assessment for each Living Unit.

- a. The monthly assessment may be increased effective January 1 of each year without a vote of the membership in conformance with the rise, if any, in the Consumer Price Index (published by the Department of Labor, Washington, D.C.) for the preceding month of July.
- b. The monthly assessment may be increased above that established by the Consumer Price Index formula by a two-thirds (2/3) vote of the Association members, either in person or by proxy, at the annual meeting.
 - i. Written or email notice of such meeting shall be sent to all Owners at least ten (10) but not more than thirty (30) days prior to the meeting date.
 - ii. In lieu of a meeting, written or email notice shall be sent to all members proposing a change in assessment and requesting their assent or declination. Response by members shall not be more than fifteen (15) days from receipt of email notice.

4. Special Assessments. The Association may levy special assessments for the purpose of defraying, in whole or in part: (a) any expense or expenses not reasonably capable of being fully paid with funds generated by monthly assessments; or (b) the cost of any construction, reconstruction, or unexpectedly required addition to or replacement of the Common Areas. Any such special assessment must be assented to be a majority of the votes of members who are voting in person or by proxy, at a meeting duly called for this purpose. Written or email notice setting forth the purpose of such meeting shall be sent to all Owners at least ten (10) but not more than thirty (30) days prior to the meeting date.

5. Quorum Requirements. The quorum at any meeting required for any action authorized by Section 3 or 4 above shall be as follows:

- a. At the first such meeting called, the presence of Owners or proxies entitled to cast sixty percent (60%) of all the votes of membership shall constitute a quorum.
- b. If a quorum is not present at the first meeting or any subsequent meeting, another meeting may be called (subject to the notice requirements set forth in Section 3 and 4 above) at which a quorum shall be one-half (1/2) of the quorum which was required at the immediately preceding meeting.
- c. No such subsequent meeting shall be held more than forty-five (45) days following the immediately preceding meeting.

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

7. Uniform Rate of Assessment. All monthly and special assessments authorized by Section 3 or 4 above shall be fixed at a uniform rate for all Lots.

8. Monthly and Special Assessment Due Dates. Monthly and special assessment payments are due on the first day of each month. Payments are to be received by the Association, or its representative, on or before the due date. For new Owners or Occupants, the monthly and special assessments provided for herein shall commence on the first day of the first month of ownership or occupancy.

a. At least fifteen (15) days prior to the effective date of any change in the amount of the monthly or special assessments, the Association shall give each Owner or occupant written or email notice of the amount of the assessment concerned.

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

10. Effect of Nonpayment - Remedies. Any assessment, whether monthly, special or reimbursement, not paid when due shall, together with interest and costs of collection, be, constitute, and remain a continuing lien on the affected Lot. If any assessment is not paid within ten (10) days after the date on which it becomes due, a late fee of twenty-five dollars (\$25) will be levied. The Association may bring an enforcement action against the Owner who is personally liable or may foreclose its lien against the Lot, or both. Any judgment obtained by the Association in connection with the collection of delinquent assessments and related charges shall include reasonable attorney fees, court costs, and every other expense incurred by the Association in enforcing its rights.

ARTICLE VI ENFORCEMENT POLICY

The policies stated below apply to violations of any of the Governing Documents of Quail Meadows Homeowners Association ("Association"), including the Articles of Incorporation; Bylaws; Covenants, Conditions, and Restrictions ("CC&Rs"); or rules and regulations ("Rules").

1. Initiation of Formal Disciplinary Process. The Board of Directors ("Board"), and Owner of a separate interest ("Member"), or any resident of the Association has the authority to request in a reasonable manner that a member, resident, tenant, or invitee thereof cease or correct any act or omission that appears to be in violation of the Governing Documents of the Association. Complainants are encouraged to attempt such informal resolution before the formal process is initiated. However, if a member or resident cannot, or will not, initiate informal resolution, or if the informal resolution is not successful, the following procedures will apply.

2. Written Complaint. Disciplinary proceedings will be initiated upon the receipt of a written complaint ("Complaint") from any member or resident to the Board or its designated agent by letter, setting forth, in ordinary and concise language, the acts or omission with which the alleged offender ("Respondent") is charged. Complaints may also be initiated directly by any member of the Board of Directors or by any Managing Agent. The Complaint should include the specific provisions of the CC&Rs or rules that the Respondent is alleged to have violated, and should consist of more than charges phrased in the general language of such provisions. The Complaint should contain as many specific and supporting facts as are available, such as time, date, location, person(s) involved, and other relevant details so that the

Complaint may be evaluated and investigated by the Board. Complaints initiated by a member of the Board of Directors or Managing Agent may be in any form that provides a record of the complaint. A copy of the complaint, at the sole discretion of the Board, may or may not be provided to the Respondent.

3. First Notice. Upon filing of the complaint, to the extent the Board deems appropriate, the Board shall reasonably investigate the Complaint to verify that, if correct, the allegations constitute violation(s) of the Governing Documents. If so (and if the Board, in its sole discretion, determines that enforcement is appropriate in the matter in question), the Board shall send a written First Notice (warning letter) to the Respondent, summarizing the Complaint and requesting compliance with the Governing Documents. Such First Notice shall be served by certified mail, return receipt requested; or by personal delivery to the Owner of record and, if appropriate, to the resident tenant. No penalty shall be assessed to the Owner in the First Notice. If compliance occurs as a result of sending the First Notice, the Board will take no further action on the Complaint.

4. Second Notice. If the violation described in the First Notice is not corrected within a reasonable time (as determined by the Board), or if the violation is repeated, a second notification letter will be sent to the offender ("Second Notice"). The Second Notice will advise the offender that a hearing before the Board of Directors will be held. The Second Notice will provide a general summary of the allegations in the Complaint; the date, time, and location of the hearing; a statement that the Respondent may attend the hearing and address the Board; and the penalties that may be assessed at the hearing. The Board shall fix a hearing date and mail or deliver the Second Notice to the appropriate individual at least ten (10), but not more than thirty (30) days prior to the date of the hearing. The Second Notice shall be served by certified mail, return receipt requested, or by personal delivery.

a. Whether or not the Respondent wishes to attend the hearing, he or she may deliver to the Board a written statement, setting forth the Respondent's response to the allegations in the Complaint.

Providing the Respondent submits a written response, it must be delivered to the Chairman of the Board of Directors, or the Board's authorized representative, at least seventy-two (72) hours prior to the hearing in order to give the Board sufficient time to review the response prior to the scheduled hearing.

5. Hearing. Neither the Complainant nor the Respondent is required to be in attendance at the hearing, although such attendance is encouraged.

a. At the commencement of the hearing the Chairman will explain the rules and procedures by which the hearing will be conducted. The Board is at liberty to exercise discretion as to the specific manner in which the hearing will be conducted. Technical and specific rules of evidence or procedure will not generally be applicable to the hearing; however the Board will have discretion to impose specific rules where it considers such rules to be appropriate and to refuse to admit proposed evidence not reasonably relevant to the issue. Formal questioning of any witness by the Respondent will by and large not be permitted.

b. The Board will consider any written or oral statements by the parties and witnesses together with such other information as the Board deems relevant.

c. Should the Respondent fail to appear or submit a written statement in defense of the allegations, the Board may consider such failure to be an admission of the allegations.

6. Decision. After all written or verbal representations have been presented, the Board shall vote on the matter. A majority of the Board will determine the outcome of the hearing. The decision may be determined at the conclusion of the hearing, or may be postponed to a date no later than fifteen (15)

days from the hearing date. A written decision will be delivered by certified mail, return receipt requested, or by personal delivery, no later than ten (10) days after a decision is made. Any disciplinary action, to include imposed fines, shall become effective on the fifth day following mailing notification to the Respondent. All decisions by the Board will be final; however the Board maintains the option to rehear the matter if additional evidence or information comes forth that may, in the Board's sole discretion, affect the Board's prior decision. Any request for a rehearing must be made in writing by the Respondent and received by the Board no later than thirty (30) days from the date of the Board's decision. The request must include a summary of the new evidence and why the evidence is sufficient to overturn the Board's prior decision. If the Respondent fails to hear from the Board within fifteen (15) days from the date the request for rehearing was submitted the initial decision by the Board will be final.

7. Schedule of Fines. The following schedule shall apply where the Board determines a violation has occurred and, in its sole discretion, determines to assess a fine. The fines are maximum amounts per violation; however they are in addition to any actual costs, damages, or expenses, including attorney fees, incurred by the Association in obtaining compliance to the Governing Documents. The Board, in its sole discretion, may impose lesser amounts.

a. In addition to the assessment of a monetary fine, the Board may suspend the Respondent's voting rights and Association privileges as outlined in the CC&Rs, Bylaws, and rules for up to thirty (30) days per violation or until the Respondent remedies the violation.

i. First Offense: one hundred dollars (\$100)

ii. Second Offense: one hundred dollars (\$100)

iii. Third & Subsequent Offenses: one hundred dollars (\$100) times the number of prior offenses.

iv. Continuing Offenses: one hundred dollars (\$100) every ten (10) days until the offense is cured.

8. Termination of Fine. Providing a fine for a Continuing Offense is assessed, the fine will continue to accrue until the Respondent petitions the Board for relief and provides the Board with written satisfactory verification that the violation in question has been corrected. If the Board concurs that the violation has been corrected the fine will cease to accrue on the date the Respondent petitioned the Board for relief.

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

ARTICLE VII

PROPERTY RIGHTS AND CONVEYANCES

1. Form of Conveyancing. Any deed, Mortgage, deed of trust, or other instrument conveying or encumbering title to a Lot shall describe the interest or estate involved substantially as follows or as otherwise compatible with the manner in which the Utah County Recorder records such information:

- a. Lot No. _____ as identified in the Plat recorded in Book _____, Page _____, as Entry No. _____, contained within the Quail Meadows Development identified in the "Declaration of Covenants, Conditions, and Restrictions of Quail Meadows Planned Unit Development" recorded initially in the office of the Utah County Recorder in Book _____, at Page _____, as such may be amended from time-to-time. TOGETHER WITH a right and easement of use and enjoyment in and to the Common Areas described, and as provided for, in said Declaration of Covenants, Conditions, and Restrictions.
- b. Whether or not the description employed in any such instrument is in the above-specified form, however, all provisions of this Declaration shall be binding upon and shall inure to the benefit of any party who acquires any interest in a Lot.

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

ARTICLE VIII

USE RESTRICTIONS

1. Use of Lots and Living Units. Living Units may be occupied by related individuals or by a maximum of two unrelated individuals. Related individuals are limited to a maximum of one additional family group consisting of, or headed by, a sibling, parent, grandparent, child, or grandchild. All occupants are subject to the provisions of these Declarations governing Age Restrictions. Any exceptions must be approved in writing by the Board.

- a. No Lot or Living Unit shall be used, occupied, or altered in violation of law, so as to jeopardize the support of any other Living Unit, so as to create a nuisance or interfere with the rights of any Owner, or in a way which would result in an increase in the cost of any insurance covering the Common Areas.

2. Unoccupied Living Units. Absentee ownership of Living Units, per se, and deemed "Non-resident" is not permitted. Use of any Living Unit as a de facto destination resort or other transient housing arrangement is prohibited.

- a. Once a Living Unit has been established as the primary domicile of at least one Owner age 55 or older, related individuals and other guests may stay overnight in Living Units for brief periods during temporary Owner absences. Guests staying more than fifteen (15) days shall be considered de facto lessees who must comply with provisions of these Declarations governing Leasing of Living Units. Any exceptions must be approved in writing by the Board.

3. Age Restriction. The Development is intended to provide housing primarily for persons fifty-five (55) years of age or older. The Development shall be operated as an age restricted community in compliance

with all applicable Utah and federal laws. Related individuals nineteen (19) years of age and over may reside on a permanent basis with the Owner to whom they are related, provided that "Residency," as defined, is satisfied. Persons under nineteen (19) years of age may stay overnight in a Living Unit with the Owner for up to sixty (60) days during any given year, but shall not occupy any Living Unit on a permanent basis.

- a. Subject to the provisions herein, each Living Unit, if occupied, shall be occupied by at least one Owner age fifty-five (55) or older. Living Units may be occupied by a maximum of two unrelated individuals. All unrelated individuals must be age fifty-five (55) or older. Live-in healthcare workers or caregivers are exempt from this requirement.
- b. Once a Living Unit is occupied by an Owner or Allowed Lessee age fifty-five (55) or older, other permanent occupants of that Living Unit may continue to occupy the Living Unit, regardless of the termination of occupancy by the former occupant who was age fifty-five (55) or older, for a period not to exceed two (2) years. This time restriction does not apply to live-in healthcare workers, caregivers or surviving spouses. The foregoing right to continue occupancy by persons not age fifty-five (55) or older is not transferable. Other exceptions to the time restrictions must be approved by the Board.

4. Leasing of Living Units. Except as set forth below or as required to be allowed by law (hereinafter collectively referred to as an 'Allowed Lease'), Living Units may not be leased or rented to any person who is not an Owner, regardless of whether consideration is received. House-sitting for an Owner while an Owner will not be in the Living Unit for a period of less than sixty (60) days is not considered to be a lease for purposes of this section.

- a. Allowed Leases include a lease or rental:
 - i. while the Owner is deployed in the military;
 - ii. to the Owner's parent, child, or sibling;
 - iii. while the Owner's employer has relocated the Owner for no less than two years;
 - iv. by an Owner that is a trust or other entity created for estate planning purposes if the trust or other estate planning entity was created for (A) the estate of the current resident of the Living Unit or (B) the parent, child or sibling of the current resident of the Living Unit; or
 - v. that existed and was in place before the time the rental restriction described in this section was recorded in the Utah County Recorder's Office until: (A) the Lot Owner occupies the Lot; or (B) an officer, Owner, member, trustee, beneficiary, director, or person holding a similar position of ownership or control of an entity or trust that is the Owner, occupies the Lot.
- b. The Board shall establish rules, resolutions or procedures to: (i) determine and track the number of rentals and leases subject to the provisions described in this Article VIII, Section 4 Subsection a; and (ii) ensure consistent administration and enforcement of the rental restrictions.
- c. An Allowed Lease must be for the entire Living Unit. No fraction or portion of a Living Unit may be leased or rented. Lessees of an Allowed Lease (an 'Allowed Lessee') must qualify for Residency under the same age restriction as Owners. There shall be no subleasing of Living Units. The Allowed Lessee must execute a 'QMHOA Lease Agreement' (see attachment 2). The Board may adopt additional reasonable rules and regulations governing the leasing and renting of Living Units as it deems necessary or appropriate.
- d. Notice of any prospective Allowed Lease, a copy of the proposed unexecuted lease agreement and nonrefundable leasing fee of twenty-five hundred dollars (\$2,500) made payable to the Association to cover the administrative costs and procedures must be provided by the Owner and received by the Board or its designee thirty (30) days prior to the execution of the Allowed Lease. The Owner must thereafter timely provide any other additional information reasonably required by the Board regarding the proposed Allowed Lessee, including but not limited to criminal background checks.

Allowed Lessees may not begin to occupy the Living Unit until thirty days after the Board receives the above referenced notice and after the information requested by the Board, if any, has been provided.

e. The Owner must attach a copy of the Association's Governing Documents to the Allowed Lease and the Allowed Lessee must acknowledge in the Allowed Lease, the receipt of the Association's Governing Documents. Any failure by the Lessee to comply with the terms of such documents shall be a default under the Allowed Lease.

5. Animals and Pets. Other than pets, no animals of any kind, including livestock and poultry, shall be raised, bred, or kept on any portion of the Property within the Development. A maximum of two pets is permitted in each Living Unit except for fish in aquariums. Pets may only include dogs, cats, birds, fish or other pets as determined from time to time by the Board.

a. No pets shall be permitted to roam free, or, in the sole discretion of the Board, to endanger the health of other persons, make objectionable noise, or constitute a nuisance or inconvenience to the Owners or others within the Development. Pets, including dogs and cats, may not be allowed to soil or otherwise damage lawns, shrubs or other plants in the Common Areas with either urine or feces or to defecate in flower beds. Pet owners shall immediately remove and dispose of any droppings left by their pets anywhere within the confines of the Development. Owners are financially liable for any damage caused by their pets.

b. Dogs are limited to toy or miniature size. Dogs must be on leash at all times when outside Living Units. Cats shall not be allowed to roam free. Pets in violation of rules and regulations shall be removed by the Owner upon the Board's request. If the Owner fails to honor such request, the Board may cause the pet to be removed.

c. The Board may adopt reasonable rules and regulations designed to minimize damage and disturbance to other Owners and occupants, including rules requiring damage deposits, waste, trash removal, leash controls, noise controls, and limits based on any reasonable factor, including fair share use of the Common Area; provided, however, any regulation prohibiting the keeping of ordinary household pets shall apply prospectively only and shall not require the removal of any pet which was being kept in a Living Unit in compliance with the Declaration and any rules and regulations in effect prior to the adoption of such regulation. The Board may also adopt rules which prohibit pets from certain Common Area locations. Nothing in this provision shall prevent the Board from requiring removal of any animal that presents an actual or potential threat to the health or safety of residents or from requiring abatement of any nuisance or unreasonable source of annoyance. No pets shall be kept, bred, or maintained for any commercial purpose.

6. Fences. Fences are restricted to the perimeter of the Development as installed by developer.

7. Prohibited Improvements and Structures. The addition of the following structures and improvements are prohibited on any Lot and in the Common Areas. Exceptions may be permitted only if recommended by the ACC and approved by the Board or by amending this Declaration in the manner provided.

- a. Detached garages.
- b. Detached storage buildings and detached sheds.
- c. Compost piles or containers.
- d. Decks, patios or balconies.
- e. Ramadas or gazebos.
- f. Basketball goals, except for temporary ones for periods not to exceed three (3) days.
- g. Dog runs or animal pens.
- h. Roof mounted appliances, including solar panels.
- i. Ham radio or television antennas.

8. Yard Art. Yard art is prohibited in the Development. Yard art is anything other than plants placed in Common Areas (outside the footprint of the Living Unit). It includes, but is not limited to, artificial birds and animals, windmills, rocks, wood, lights, name markers, and other decorative or ornamental displays and fountains. Bird feeders and bird baths are allowed in the Common Areas only upon recommendation of the ACC and with the approval of the Board. Tasteful seasonal decorations, including Christmas lights, may be displayed for reasonable periods of time prior to holidays but must be removed promptly after the occasion has passed.

9. Flagpoles. With the exception of a single flagpole in the south island of the Development, freestanding flagpoles are prohibited except temporary flagstaffs placed in Common Areas for display of the national flag on holidays and other special occasions. Flags may also be flown from fixtures attached to a Living Unit if such fixtures are recommended by the ACC and approved by the Board. Display of the national flag is permitted but decorative flags, seasonal banners, etc. are prohibited.

10. Parking of Vehicles. While on-street parking is not prohibited by American Fork City ordinance, residents are encouraged to limit overnight on-street parking.

a. Residents must comply with all appropriate American Fork City ordinances and should not park any commercial vehicles, recreational vehicles, mobile homes, trailers, campers, boats or other watercraft, other oversized vehicles, stored vehicles, unlicensed vehicles, or inoperable vehicles within the Development other than in enclosed garages.

b. No vehicle, other than passenger vehicles, may be left on a driveway in the Development except that one boat or recreational vehicle may be temporarily parked completely in a driveway for not more than four nights within each calendar month. Passenger vehicles may not remain unmoved for more than one week.

11. Signage. No approval is required for the placement of signs, so long as such signs are of a type described below and conform to the requirements set forth below. ACC recommendation and Board approval are required if the sign to be placed is not of a type described below or if the sign will not conform to the standards set forth below. Signs shall not be placed in the grass:

a. "For Sale" and "For Lease" Signs: "For Sale" and "For Lease" signs shall be permitted within the Development. Such signs shall be located in the Common Area in front of the Living Unit that is available for lease or sale. Signs shall be a maximum of three (3) square feet and may be double-sided. The overall height from finished grade may not exceed four (4) feet. Only one sign per Living Unit shall be allowed. Signs must be removed within two working days following the close of escrow or the execution of the lease.

b. "Open House" Directional Signs: "Open House" signs may be placed in the Common Area in front of the Living Unit which is for sale or lease. Such signs will be subject to the same limitations as those for "For Sale" and "For Lease" signs set forth above and must be removed daily upon termination of the open house hours. "Open House" signs shall not be permitted in any other Common Area, except at the entrances to the Development on 1120 North and/or 200 East.

c. "Security System" Signs: Signs which indicate that a Living Unit is protected by a security system are permitted. Such signs shall be located within the flower beds adjacent to the Living Unit. Such signs shall be single sided and a maximum of one hundred fifty (150) square inches. The overall height of the sign from finished grade may not exceed thirty (30) inches. Signs provided by a security company as part of the overall security system shall be used without alteration by the Owner. Only one such sign per Living Unit shall be allowed. Decals of a size not to exceed thirty-six (36) square inches may be displayed in windows.

d. "Neighborhood Watch" and "No Soliciting" Signs: "Neighborhood Watch" signs, decals or stick-ons, not to exceed thirty-six (36) square inches, may be displayed in windows. "No Soliciting" signs may be displayed at entrances to Living Units.

e. "Campaign" or "Proclamation" Signs - Local, State and Federal Elections: "Campaign" or "Proclamation" signs for local, state and federal elections are permitted within the Development. They must be placed within the Common Area in front of the Living Unit whose Owner is advocating the candidate or proclamation. Signs shall be limited to a maximum of three (3) square feet and may be double-sided. The overall height from finished grade may not exceed four (4) feet. Only one sign per Living Unit shall be allowed. Signs shall not be placed sooner than thirty (30) days prior to the election and must be removed within three (3) days after the election.

12. Clothes Drying. The outdoor drying or hanging of clothes is prohibited within the Development.

13. Storage Under Decks. Storage under decks is permitted so long as the storage area is enclosed by a screen, apron or skirting in a fashion, and using materials, recommended by the ACC and approved by the Board.

14. Personal Flowers, Vegetables and Flower Beds. Personal flowers are allowed in all common flower beds. Vegetables are allowed only in the flower beds on the side and in the rear of Living Units. Personal flowers and vegetables must be maintained by the Owner of the immediately adjacent Living Unit in a neat, orderly and weed-free state. No alterations or disruption of the irrigation system are allowed. Plants must not encroach on lawn areas or otherwise prevent normal yard maintenance. Plants should not be taller than three (3) feet above grade. Flower pots and planters adjacent to front entries and garage doors, and on or under decks and patios, are allowed.

15. Excessive Noise. Excessive noise is prohibited in the Development.

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

- a. any Owner; or
- b. the Association.

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

17. Gazebo Facilities and Common Areas. The Board is responsible for oversight of all Common Areas in the Development, including the gazebo and related facilities.

a. The Board may appoint a member of the Association to facilitate member usage of the Common Areas, including the gazebo and related facilities, as follows:

- i. Maintain a schedule and history of use (scheduled and ad-hoc).
- ii. Distribute a copy of this Section 17 to Owners who schedule usage or report ad-hoc use.

iii. Be responsible for keys to the gazebo facilities (gate, gas, electricity, and water).

iv. Receive and investigate Association complaints related to the gazebo facilities and Common Area rule violations.

v. Report rule violations for Board consideration and action. Negligent or persistent violation of the rules by Owners or their guests may result in the suspension of their usage privileges.

b. Permitted use and rules for the gazebo facilities and Common Areas are as follows:

- i. Utilization to host events for religious or civic groups is prohibited.
- ii. Use is limited to Owners and their supervised guests.

- iii. Group size should be consistent with the Owners ability to:
 - 1. maintain adequate supervision and compliance with the rules; and
 - 2. not interfere with the peaceful enjoyment of the area by the Owners of the surrounding Living Units.
- iv. Use is limited to the hours of 8:00 a.m. to 10:00 p.m.
- v. Use or possession of alcoholic beverages and/or controlled substances is prohibited.
- vi. Use or possession of tobacco products or e-cigarettes is prohibited.
- vii. Use or possession of fireworks is prohibited.
- viii. Music volume should be reasonable for a senior community. Amplification devices and excessive noise are prohibited.
- ix. Bicycles, skateboards, hoverboards, rollerblades, and scooters are prohibited.
- x. Recreational activities must not pose any harm to surrounding structures (i.e., BB-guns, sling-shots, bats or baseballs, etc. which could break windows are prohibited).
- xi. Climbing on the rock wall and around plants in landscaped areas is prohibited.
- xii. Use of combustible material in the gas fire pit is prohibited.
- xiii. Tents, canopies or other structures of a temporary nature are prohibited in Common Areas except for the purpose of housing or entertaining guests for periods not to exceed three (3) days. Owners shall submit a written request for such structures to the ACC for approval. Owners are responsible for the repair of any damage to the Common Areas caused by the presence or use of such structures.
- xiv. Owners should encourage their guests to park their vehicles along 1120 North and access the gazebo facilities and Common Areas through the gate or use the sidewalk from 160 East.
- c. Owner responsibilities and liability for use of the gazebo facilities and Common Areas are as follows:
 - i. Owners and their guests use the facilities at their own risk and are responsible for their own safety. Owners must ensure that the facilities are not abused and that adequate measures are taken to keep children a safe distance from the gas grill and especially the gas fire pit.
 - ii. At least one Owner must be physically present during the entire duration of their hosted event (whether scheduled or ad-hoc), and he is responsible for ensuring compliance with all rules.
 - iii. Owners are responsible for scheduling use and reporting their ad-hoc use.
 - 1. Owners may schedule use no earlier than ninety (90) days and no later than twenty-four (24) hours prior to the event.
 - 2. The scheduler will maintain a waiting list if there are multiple requests for a specific date. If an Owner cancels an event, the next person on the waiting list will be contacted.
 - 3. Scheduled events always take priority over ad-hoc use.
 - 4. Ad-hoc use, of the gazebo facilities only, still requires the Owner to contact the scheduler for the following:
 - a. to ensure no one else has booked an event;
 - b. to obtain the keys; and
 - c. so a usage history can be maintained.
 - 5. Any given Owner may not dominate the schedule for popular holidays.
 - a. To ensure compliance, the following holidays (Memorial Day, Independence Day, Pioneer Day, and Labor Day) will be divided into three blocks of time (breakfast – 8:00-11:30 a.m.; lunch – 12:00 noon-4:30 p.m.; and dinner – 5:00-10:00 p.m.). Owners may only schedule one block of time for one of these four holidays within a calendar year. However, additional blocks of time can be requested with the understanding that priority will be given to those who have not had prior use of the facilities as outlined above.

b. Owners may not schedule the same holiday in consecutive years, denying access for others. However, requests can be made with the understanding that priority will be given to those who have not had prior use of the facilities for that holiday.

c. Unlimited ad-hoc use on the holidays listed above is permitted, if no one else has a scheduled event.

6. Any given Owner may not dominate the schedule for popular weeknights (i.e., family home evenings).

a. To ensure compliance, Owners may only schedule one Monday evening per summer season. However, additional requests can be made with the understanding that priority will be given to those who have not had prior use of the facilities on Monday evening.

b. Unlimited ad-hoc use is permitted on Monday evening, if no one else has a scheduled event.

iv. Owners agree to accept personal liability for any and all damages incident to their own and their guests' use; and further agree to indemnify and hold harmless the Association, and its members collectively and individually, for any related costs or liabilities incurred.

v. Owners are also responsible for:

1. obtaining keys from the scheduler;

2. using the keys to unlock access to the gate, gas, electricity, and water;

3. locking the gate, turning off the water, gas, and electricity and returning the keys to the scheduler at the conclusion of the event; and

4. cleaning the entire area and returning the area to its original state; including washing all tables, washing the concrete under the gazebo, cleaning the gas grill and cooking grates and picking up all trash and removing it.

a. Owners must provide their own trash bags. Owners are welcome to use the trash can provided in the gazebo, but must remove all trash from the can at the conclusion of their event.

b. Owners who fail to perform the cleaning and trash removal functions as listed above, agree to pay for the cost of a cleaning service to perform these functions.

18. Landscaping. The Association maintains the landscaping in the Common Areas for the mutual enjoyment of the Owners. This includes removal and replacement, if warranted, of dead shrubs or trees. Owners are prohibited from making changes or modifications to the landscaping, except as outlined in Section 14 of this Article. In rare cases Owners may petition the ACC, in writing, for a landscaping modification. If approved, the following rules apply:

a. Water lines and sprinkler valve wiring must be evaluated prior to any modification.

b. All costs associated with such modification, including repair costs for any damage to the irrigation system, would be the responsibility of the requesting Owner.

19. Satellite Dishes. Satellite dishes are allowed in the Development but are subject to the following:

a. Written request to the Board for approval.

b. Must be less than one meter in diameter.

c. Prohibited on the front of Living Units.

d. Are usually mounted on the south facing wall.

e. Shall be placed so no part of the dish is above the lowest soffit line of the roof.

f. If necessary, ground mount installation only in the planter area (not the grass) adjacent to the Living Unit.

g. All costs to be the responsibility of the requesting Owner.

ARTICLE IX ARCHITECTURAL CONTROL

1. Architectural Control Committee (ACC). The Board of Directors of the Association may appoint an Architectural Control Committee (the ACC), the function of which shall be to insure that all improvements and landscaping within the Property harmonize with existing surroundings and structures. A member of the Board shall serve as the Chair of the ACC. If such a Committee is not appointed, the Board itself shall perform the duties required of the Committee.
2. Submission of Requests to the ACC. No Living Unit, accessory or addition to a Living Unit shall be constructed or maintained, and no alteration, repainting, or refurbishing of the exterior of any Living Unit shall be performed, unless complete plans and specifications thereof have first been submitted to, and recommended by the ACC and approved by the Board.
3. Standard. In deciding whether to recommend approval or disapproval of plans and specifications submitted to it, the ACC shall use its best judgment to insure that all improvements, construction, landscaping, and alterations on Lots within the Property conform to and harmonize with existing surroundings and structures.
4. Approval Procedure. Any plans and specifications submitted to the ACC shall be approved or disapproved by the Board, in writing, within thirty (30) days after submission. The ACC will make recommendations to the Board for approval or disapproval of all plans and specifications. Final decisions to approve or disapprove shall be made by the Board. In the event the ACC and the Board fail to take any action within such period they shall be deemed to have approved the material submitted unless notice is given that circumstances reasonably warrant an extension of time. In such cases, the ACC and the Board shall make a decision within a reasonable time. No decision shall be unreasonably withheld.
5. Construction. Once begun, any improvements, construction, landscaping, or alterations approved by the Board shall be diligently prosecuted to completion. If reasonably necessary to enable such improvement, construction, landscaping, or alteration, the person or persons carrying out the same shall be entitled to temporarily use and occupy portions of the Common Areas in the vicinity of the activity. At the conclusion of any such project, affected Common Areas shall be restored to their former condition by the Owner for whom the project is undertaken.
6. Liability for Damages. The ACC shall not be held liable for damages by reason of any action, inaction, approval, or disapproval by it with respect to any request made pursuant to this Article.

ARTICLE X INSURANCE

1. Liability Insurance. The Board shall procure and maintain from a company or companies holding a financial rating of Class VI or better from Best's Key Rating Guide a policy or policies (herein called the "Policy") of Public Liability Insurance to insure the Association, the Board and the Managing Agent and employees of the Association against claims for bodily injury and property damage arising out of the conditions of the Development or activities thereon under a Comprehensive General Liability form. Such insurance shall be for such limits as the Board may decide, but not less than those limits customarily carried by properties of comparable character and usage in the County of Utah nor less than one million dollars (\$1,000,000) for personal injury and property damage arising out of a single occurrence, such coverage to include protection against water damage liability, liability for non-owned and hired automobile, liability for the property of others and such other risks as shall customarily be covered with

respect to property similar in construction, location and use. The Policy shall contain a "Severability of Interest" endorsement which shall preclude the insurer from denying the claim of any Owner because of negligent acts of the Association or other Owners and a cross-liability endorsement pursuant to which the rights of the named insured's, as between themselves, are not prejudiced. The Policy shall provide that the Policy may not be canceled by the insurer unless it gives at least one hundred and eighty (180) days prior written notice thereof to the Board and every other person in interest who shall have requested in writing such notice of the insurer. Any such coverage procured by the Board shall be without prejudice to the right of the Owners to insure their personal liability for their own benefit at their own expense.

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

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

4. Lots and Living Units Not Insured by Association. The Association shall have no duty or responsibility to procure or maintain any fire, liability, extended coverage or other insurance covering any Lot and acts and events there. Accordingly, Owners of Lots in the Development shall obtain fire, extended coverage and liability insurance to the full replacement value of all Living Units constructed on such Owner's Lot.

5. Other Insurance Provisions. All insurance required pursuant to this Article shall be written by insurers licensed in the State of Utah.

ARTICLE XI MISCELLANEOUS

1. Notices. Any notice required or permitted to be given to any Owner under the provisions of this Declaration shall be deemed to have been properly furnished if delivered, mailed postage prepaid or sent by email to the person named as the Owner, at the latest address for such person as reflected in the records of the Association at the time of delivery or mailing. Any notice required or permitted to be given to the Association may be given by delivering or mailing the same to the Managing Agent or the Chair of the Association. The address for the Chair can be found at the Utah Department of Commerce Homeowner Associations Registry website, <https://secure.utah.gov/hoa/details.html?id=3701>. Any notice required or permitted to be given to the ACC may be given by delivering or mailing the same to the Managing Agent or any member of the ACC, or the Board as the case may be.

2. Amendment. The vote of at least two-thirds (2/3) of the members of the Association shall be required to amend this Declaration and the Plat. Any amendment so authorized shall be accomplished through the recordation of an instrument executed by the Association. In such instrument the Association shall certify that the vote required by this Section for amendment has occurred.

3. Consent in Lieu of Vote. In any case in which this Declaration requires for authorization or approval of a transaction the assent or affirmative vote of a stated percentage or number of the Owners, whether

present or represented by proxy at a meeting, such requirement may be fully satisfied by obtaining, with or without a meeting, consents in writing to such transaction from Owners entitled to cast membership votes. The following additional provisions shall govern any application of this Section 3:

- a. All necessary consents must be obtained prior to the expiration of ninety (90) days after the first consent is given by any Owner.
- b. The total number of votes required for the applicable authorization or approval shall be determined as of the date on which the last consent is signed.
- c. Except as provided in the following sentence, any change in ownership of a Lot which occurs after a consent has been obtained from the Owner thereof shall not be considered or taken into account for any purpose.
- d. Unless the consent of all Owners whose memberships are appurtenant to the same Lot are secured, the consent of none of such Owners shall be effective.

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

5. Retail Businesses. The Lots and Living Units within the Development shall be used predominantly for residential living purposes. Retail business or shop-retailing is prohibited. It is the intent of the Association that no Lots or Living Units within the Development shall ever be occupied or used for any commercial or business purpose with the exception of the following: (a) The home business qualifies for a "Home Business License" issued by American Fork City, (b) The home business is conducted entirely within the Living Unit and is carried on only by members of the residing family. No tangible material of any kind associated in any way with the home business will be stored outside the Living Unit to include the garage, porches, rear decks or under rear decks, (c) Any home business must receive prior approval by the Board, ratified and assented to by ninety percent (90%) of the Association Owners, (d) Online retailing, or non-shop retailing is permitted.

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

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

8. Duration. The Covenants, Conditions, and Restrictions of this Declaration shall remain in effect for a term of thirty (30) years from the date this Declaration is filed in the office of the County Recorder of

Utah County, Utah, after which time they shall be automatically extended for successive periods of ten (10) years each unless terminated by an instrument filed in the office of the County Recorder, executed by any two (2) officers of the Association, certifying that the Owners of at least seventy-five percent (75%) of the Lots voted in favor of such termination.

9. Exempt Lots. Lot 1 and Lot 2 as identified on the Plat have been sold as of the execution of this Declaration and are not part of the Association.

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

ARTICLE XII REINVESTMENT FEE

1. Reinvestment Fee. Pursuant to, and as allowed by, Utah Code 57-1-46 a Reinvestment Fee Covenant, Entry No. 45119:2011 as recorded with the Utah County Recorder, applies to the Association. Upon any transfer, conveyance or change in ownership of a Living Unit and except as expressly provided otherwise herein (the 'Transfer'), the transferee of such unit (the 'Transferee') must pay at closing of that Transfer a Reinvestment Fee of one thousand dollars (\$1000) (and in no event to exceed one-half percent (0.5%) of the value of the Living Unit at the time of Transfer), made payable to the Quail Meadows at Tri-City Twin-Homes Homeowners Association (QMHOA) for the benefit of the Association to pay for and fund Association expenses.

a. The following changes in ownership of a Living Unit are excluded from the definition of 'transfer', and no Reinvestment Fee is assessed for the following:

- i. An involuntary transfer.
- ii. A transfer that results from a court order.
- iii. A bona fide transfer to a family member of the seller within three degrees of consanguinity who, before the transfer, provides adequate proof of consanguinity.
- iv. A transfer of change of interest due to death, whether provided in a will, trust, or decree of distribution.
- v. A transfer of a Living Unit by a financial institution.

b. The Reinvestment Fee Covenant or the right to the proceeds therefrom may not be assigned except by the Association as a pledge of collateral to its lender; provided, however, that the lender shall release the collateral interest upon payment in full of all amounts that the Association owes to the lender.

2. Lien and Priority, Liability and Collection. To the extent permitted by law, a Reinvestment Fee that is not paid when due ('Unpaid Reinvestment Fee') shall thereupon become a continuing lien and charge ('Lien') upon the Living Unit that was the subject of the Transfer giving rise to the Unpaid Reinvestment Fee (the 'Lien Property'), which Lien shall thereafter be binding upon such Living Unit and shall run with the land, and:

- a. The Lien is effective from and shall relate back to the later of the date of (1) recording this Declaration in the Utah County Recorder's Office or (2) the most recent Estoppel Certificate.
- b. The Lien shall secure the unpaid Reinvestment Fees as well as interest and all reasonable costs and attorney fees incurred incident to the collection process.
- c. The Association may bring an action, in its name, to foreclose a Lien for Unpaid Reinvestment Fees, together with such other sums incident thereto, in the manner a Mortgage of real property is foreclosed and may also bring an action to recover a money judgement for the unpaid sums against

the Transferee. The Association is entitled to recover from the Transferee (including from the proceeds of the sale, if any), reasonable attorney fees incurred in either a Lien foreclosure action or an action to recover a money judgement for Unpaid Reinvestment Fees.

d. The Association has the power to purchase the subject property at the foreclosure sale and to then hold, lease, or convey it, subject to prior liens.

e. The purchaser at a sale of the Lien Property by the Association shall be liable for, and shall promptly pay to the Association, all Unpaid Reinvestment Fees that existed prior to the sale. This liability is without prejudice to any right such purchaser may have to seek contribution or indemnity from prior transferees or Owner(s) of the Lien Property.

f. A first Mortgagee (or its successor or assignees) who acquires title to Lien Property by foreclosure (including by deed in lieu of foreclosure) shall have no liability for Unpaid Reinvestment Fees that became due prior to the Mortgagee's acquisition of title to such Lien Property.

g. Unpaid sums due under this Declaration shall bear interest at the rate of eighteen percent (18%) per year.

h. Payment received by the Association at foreclosure hereunder shall be applied first to any permissible accrued interest, then to any costs and reasonable attorney fees incurred in collection, and then to the Unpaid Reinvestment Fee. The foregoing shall be applicable notwithstanding any restrictive endorsement, designation, or instruction placed on or accompanying a payment.

i. The Association shall furnish an estoppel certificate (an 'Estoppel Certificate') within ten (10) business days of receipt of a written request from an Owner or their designated representative, including any Mortgagee or closing agent provided such request is delivered by certified mail, first-class postage prepaid, return receipt requested, or by other commercially reasonable means, with proof of delivery, and describes with reasonable particularity (1) the Owner, (2) the approximate date and Gross Sales Price of the Transfer of Title to Owner, (3) the Requesting Party's name, address, and contact information, and (4) includes a copy of this Declaration. An Estoppel Certificate shall be conclusive and binding upon the Association, and the Living Unit described in the Estoppel Certificate, shall not be subject to Liens or claims arising prior to the date of the Estoppel Certificate for Unpaid Reinvestment Fees not set forth in the Estoppel Certificate.

j. Within ten (10) business days of receipt of a written request from the Association, an Owner or closing agent shall promptly provide information reasonably requested by the Association related to a transfer of title to or from an Owner, including date of sale, gross sales price, and a copy of any closing statement prepared in connection therewith (redacted as to each social security number, tax identification number, date of birth, and financial account information appearing therein). By acceptance of a deed, each Owner does thereby irrevocably authorize and instruct each closing agent involved in the closing of a Transfer to comply with the foregoing, and does release said closing agent(s) from liability of whatever kind and of whatever nature arising out of or related to a closing agent's compliance with this provision.

k. To the extent the foregoing conflicts with any applicable statute, the statute shall apply.

ARTICLE XIII ATTACHMENTS

1. QMHOA Lien Procedure.
2. QMHOA Lease Agreement.
3. Acknowledgement of Receipt of Association's Governing Documents.
4. Plat A, Quail Meadow at Tri-City Planned Unit Development, Entry No. 16612:2001, Map No. 8954-102, as recorded in the Utah County Recorder's Office.

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

Quail Meadows at Tri-City Twin-Homes Homeowners Association, Inc.

By: Larry Bartholomew
Larry Bartholomew
Association Chair

IN WITNESS WHEREOF, the undersigned, Quail Meadows Twin-Homes Planned Unit Development of Utah County, has executed the instrument this 10th day of April, 2017.

Larry Bartholomew
Larry Bartholomew
Association Chair

STATE OF UTAH)
 : ss.
COUNTY OF UTAH)

On the 10th day of April, 2017, personally appeared before me, Larry Bartholomew, who being by me duly sworn did say that he is the Chair of said Quail Meadows at Tri-City Twin-Homes Homeowners Association, Inc. that executed the within instrument and did acknowledge to me that the said corporation executed the same.

Jenny Castillo
Notary Public
Residing at 606 E State Rd

My Commission Expires:

4/25/17

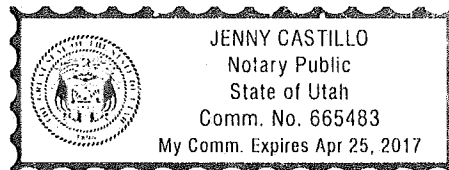


Exhibit "A"

Lots 1 through 32, as identified in the Plat recorded February 23, 2001, as Entry No.16612, contained within Plat "A", QUAIL MEADOW AT TRI-CITY, Planned Unit Development and as identified in the Declaration of Covenants, Conditions and Restrictions for QUAIL MEADOWS PLANNED UNIT DEVELOPMENT recorded February 23, 2001 in the office of the Utah County Recorder as Entry No. 16613:2001 of Official Records (As the same may have heretofore been amended and/or supplemented).

Together with a right and easement of use and enjoyment in and to the Common Areas described and as provided for, in said Declaration of Covenants, Conditions and Restrictions (As the same may have heretofore been amended and/or supplemented).