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RESTRICTIVE COVENANT For: ECG PROPERTIES LLC
Chad Montgomery, Box Elder County Utah Recorder

RECORDING REQUESTED BY AND AFTER RECORDING RETURN TO:

ECG Properties, LLC Attn: Tyson Lund 2637 North 400 East, #127 North Ogden, UT 84414 ABSTRACTED TO 03-115-0071, 0072, 03-258-0001 THRU 0023, 19-258-0001

DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS OF GLEN HOLLOW TOWNHOMES

Brigham City, Box Elder County, Utah

Tax Parcel Nos. 03-115-0015, 03-115-0016

DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS OF GLEN HOLLOW TOWNHOMES

THIS DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS OF GLEN HOLLOW TOWNHOMES (this "Declaration") is made and executed as of the day of ________, 20 21 (the "Effective Date"), by ECG PROPERTIES, LLC, a Utah limited liability company ("Declarant"), in contemplation of the following facts and circumstances:

RECITALS

- A. Declarant is the fee simple owner of certain real property located in Brigham City, Box Elder County, Utah, consisting of approximately 13.16 acres, commonly known as tax parcel numbers 03-115-0015, 03-115-0016, as more particularly described on <u>Exhibit A</u>, attached hereto and incorporated herein by this reference (the "**Property**").
- B. Declarant intends to develop the Property into eighty-nine (89) separate townhome units, as generally depicted on the Master Site Plan (as defined below) in one or more phases.
- D. Declarant desires to adopt this Declaration to establish certain covenants, conditions, restrictions, rules, agreements, provisions, easements, constraints, and limitations with respect to the ownership, construction, use, management, and operation of each of the Units as more fully set forth herein (collectively, the "Covenants, Conditions and Restrictions"), which Covenants, Conditions and Restrictions are intended for the benefit of Declarant, each Owner and Occupant, and the protection and preservation of the value of each Unit and the Property as a whole.

DECLARATIONS AND AGREEMENTS

NOW, THEREFORE, Declarant does hereby declare the following:

- 1. **Definitions**. Unless otherwise defined in this Declaration, the terms set forth in this Section $\underline{1}$ shall have the following meanings:
- 1.1. "Act" shall mean Utah Community Association Act (U.C.A. Section 57-8a-101 et seq.), as amended from time to time.
- 1.2. "Articles of Incorporation" or "Articles" shall mean the Articles of Incorporation of the Association as filed with the Utah Department of Commerce, Division of Corporations and Commercial Code, as may be amended from time to time.
- 1.3. "Association" shall mean a Utah nonprofit corporation organized, or that may be organized, by Declarant for the purpose of owning and maintaining the General Common Areas, the Members of which shall be the Owners of the Units.
- 1.4. "Board" or "Board of Directors" shall mean and refer to the governing body of the Association.
- 1.5. "Building" shall mean any structure built on any portion of the Property for permanent use.

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1.6. "Bylaws" shall mean the Bylaws of the Association as may be amended from time to time.

- 1.7. "City" shall mean Brigham City, Utah.
- 1.8. "Common Expenses" shall mean and include the actual and estimated expenses of operating the General Common Areas and all Improvements located thereon, and shall include any reasonable reserve for such purposes as determined by the Board. Except as otherwise provided for in Section 5.4, "Common Expenses" shall not include any expenses related to maintaining the Limited Common Area.
 - 1.9. "County" shall mean Box Elder County, Utah.
 - 1.10. "County Recorder" shall mean the Box Elder County Recorder.
- 1.11. "Declarant" shall mean ECG Properties, LLC, a Utah limited liability company, its successors and/or assigns.
- 1.12. "**Declaration**" shall mean this Declaration of Covenants, Conditions, Restrictions and Easements.
 - 1.13. "**Default Rate**" shall mean twelve percent (12%) per annum.
- 1.14. "Easement" or "Easements" shall mean any easement or, as the context shall require, all easements (i) granted pursuant to the provisions of this Declaration, (ii) to which the Property or any portion thereof is subject pursuant to documents which have been or will be recorded with the County Recorder, or (iii) currently existing or affecting all or any portion of the Property, whether or not recorded.
- 1.15. "General Common Area" shall mean all real and personal property that the Association now or hereafter owns or otherwise holds for the common use and enjoyment of all Owners exclusively within the Project, which General Common Area is so designated by Declarant, in Declarant's sole discretion. The land that is part of the General Common Area includes all the land of the Project less and except the Parcels that may be located within the Project from time to time.
- 1.16. "Governmental Authority" shall mean any federal, state, or local governmental or quasi-governmental agency(ies) or authority(ies) having applicable jurisdiction, including without limitation the City, County, and any local district(s), special services district(s), assessment district(s), special improvement district(s) (or similar organized unit(s)) created for the purpose of administering, financing, paying for, controlling, or overseeing all or any portion of any public amenities or facilities, and/or any other applicable subject matter.
- 1.17. "**Improvements**" shall mean and include all structures, signage and other improvements made or constructed upon any portion of the Property, and shall include, without limitation, all Buildings, driveways, sidewalks, trails, pathways, parking areas, parking structures, parking surfaces, curbing, gutters, Landscaping, signs, utilities, exterior lighting and streets.
- 1.18. "Landscaping" shall mean lawn, ground cover, rock walls, retaining walls, flowers, bushes, shrubbery, trees and other similar landscaping features which may be complemented with, or include, earth berms, masonry or similar materials and the real property located thereunder, together with all sprinkling or other irrigation systems related thereto.

- 1.19. "Limited Common Area" shall mean that portion of the General Common Area that is owned by an Owner but which use is subject to the Association if not maintained according to the Bylaws. Said areas may also be shown as highlighted/cross hatched or designated on each Plat and/or Master Site Plan as "Limited Common Area".
- 1.20. "**Master Site Plan**" shall mean that certain site plan for the overall Project attached hereto as <u>Exhibit B</u> and incorporated herein by reference.
- 1.21. "Occupant" shall mean any party, whether such party shall be an individual, corporation, limited liability company, joint venture, partnership, or other group, entity or association which has purchased, leased, rented or otherwise acquired the right to occupy and/or use any Unit, Building, or portion thereof, whether or not such right is exercised.
- 1.22. "Owner" shall mean any party, including Declarant and the Association, whether such party shall be an individual, corporation, limited liability company, joint venture, partnership, entity or association, which then holds in fee title, the rights and incidents of ownership of real property in the State of Utah as to a Parcel as evidenced in the official records of the County. The term "Owner" shall not refer to any party that shall have such interest solely as security for performance of any obligation, including a deed of trust or mortgage.
- 1.23. "Parcel" shall mean one or more legally subdivided lots within the Project as designated on the Plat, including the Unit and all Improvements located thereon, intended for single family residential use. Parcel numbers shall be synonymous with Unit numbers notwithstanding the assignment of a separate residential address to each Parcel/Unit.
- 1.24. "Phase" or "Phases" shall mean each phase of development of the Project as determined by Declarant and approved by the City, in accordance with the Plat for such phase. Declarant intends to develop the Project in such Phases as shown on the Master Site Plan.
- 1.25. "Plat" shall mean the final plat approved by the City and duly recorded with the County Recorder for each Phase of the Project. The Plat for Phase 1 of the Project is attached hereto as Exhibit C and is incorporated herein by this reference. This Declaration may be amended as provided for in Section 9.2 to incorporate additional Plats for future Phases of the Project.
- 1.26. "**Project**" shall mean the Property, together with any Improvements which are now located upon or may in the future be located upon the Property, to be collectively known as "Glen Hollow Townhomes".
 - 1.27. "Property" shall have the meaning given to such term in <u>Recital A</u>.
- 1.28. "Unit" shall mean each individual townhome unit as depicted on a Plat, which may be separately transferred or conveyed under the laws of the State of Utah. Each Unit may be referred to herein according to the designation given to such Unit on a Plat.

2. Submission.

2.1. <u>Declaration</u>. Declarant hereby declares that the Project shall be held, sold, conveyed, transferred, designed, constructed, operated, used, maintained, leased, subleased and occupied subject to the Covenants, Conditions, and Restrictions, together with all other terms and provisions, set

forth in this Declaration, which are for the purpose of (among other things) establishing mutual easements, covenants and restrictions to provide for the common management and operation of certain portions of the Project, to place certain use restrictions and/or limitations on the Project, and to protect and preserve the value of the Project.

- 2.2. Covenants to Run with the Land. This Declaration and all of the Covenants, Conditions, and Restrictions and other provisions contained herein are intended to be, and shall constitute covenants which shall run with the land and which shall be binding upon and shall inure to the benefit of Declarant, each respective Owner and Occupant, and any other party which has or may acquire any interest in or to any portion of the Project and each respective grantee, transferee, heir, devisee, personal representative and successor and assign thereof. Any party which may acquire an interest in any portion of the Project, or which may occupy any portion of the Project, including, without limitation, each Owner and Occupant of all or any portion thereof, shall be deemed to consent and agree to be bound by the Declaration and all of the Covenants, Conditions, and Restrictions and other terms and provisions herein contained.
- 2.3. <u>No Condominium</u>. Declarant and each Owner hereby agree and understand that the Project is <u>not</u>, by execution and recording of this Declaration, being submitted to the provisions of the Condominium Ownership Act (Utah Code Ann. § 57-8-1, *et seq.*). This Declaration does not constitute a declaration as provided for in the Condominium Ownership Act and, except as otherwise amended by Declarant, the provisions of the Condominium Ownership Act shall not be applicable to the Project or any portion thereof.
- 2.4. <u>Development</u>. Unless otherwise determined by Declarant, Declarant in its sole and exclusive discretion, intends to and shall have the right to construct all Units within the Project. Notwithstanding the foregoing intention to construct all of the Units, Declarant reserves the right to sell, convey, transfer, assign or otherwise dispose of any Parcel, without first constructing a Unit thereon.
- 2.5. Readjustment of Parcel Boundaries. Declarant hereby reserves for itself, its successors and assigns, the right to effectuate minor realignment and adjustment of the boundary lines between Parcels for purposes of proper configuration and final engineering of the Project; provided that any such realignment and adjustment does not affect any existing Unit or Improvement (other than Landscaping) on the affected Parcel. The authority to realign and adjust such Parcel boundary lines shall be exclusively reserved to Declarant, its successors or assigns, in their sole and reasonable discretion, subject to the other provisions of this Section 2.5. All Owners specifically acknowledge and agree that they shall cooperate with Declarant to effectuate such minor realignment and adjustment of their respective Parcel boundary lines by deed in form and content as requested by Declarant for the purposes of proper configuration and final engineering of the Parcels in relationship to the development of the Project. Further, all Owners acknowledge and agree that no amendment to this Declaration or a Plat shall be required to effectuate any Parcel boundary line adjustments so long as such adjustments are made pursuant to Utah Code Ann. § 57-1-45, as amended.
- 2.6. <u>Development Plan</u>. Notwithstanding any other provision of this Declaration to the contrary, and subject to the appropriate approval by the applicable Governmental Authority, Declarant, without obtaining the consent of any other Owner, shall have the right to make changes or modifications to its plan of development with respect to any Parcels owned by Declarant in any way which Declarant desires including, but not limited to, changing all or any portion of the Parcels owned by Declarant or changing the nature or extent of the uses to which such Parcels may be devoted.

3. Easements.

- General. The Property, and any portion of the Property which is sold as a separate Parcel, shall be conveyed and owned subject to and together with the Easements recited in this Declaration, whether or not such Easements are specifically set forth in the document of conveyance. In each instance, the physical location of an Easement may, in some circumstances, be located in the same place as, and the use thereof may be shared with, other Easements similarly located and in each such instance the rights and privileges associated with each such Easement shall be interpreted separately, but the use shall be deemed to be non-exclusive with any other Easement similarly located. Except as may be specifically set forth elsewhere in this Declaration, no Easement may be amended, extinguished or otherwise modified in any manner by an amendment to this Declaration without the express written approval of the Owners of the Parcels which shall be benefitted or burdened by the creation/existence of such Easement. It is expressly agreed that any and all Easements granted pursuant to this Declaration shall survive any termination, expiration or other cessation of this Declaration and shall be extinguished only upon the execution and delivery of a separate instrument executed by the party or parties legally benefited by the Easement intended to be terminated. Except as expressly stated herein, as contained on any recorded plat of the Property, or as agreed to in writing by the parties benefited and burdened thereby, no easements may exist on the Project in places where Buildings are expected to be built.
- 3.2. <u>Access Easement</u>. Declarant hereby reserves unto itself, its successors and assigns, including without limitation the Association, a perpetual, non-exclusive access easement on, over and across the General Common Area and Limited Common Area for the purposes of constructing, repairing, replacing and maintaining the General Common Area and, if necessary, the Limited Common Area, and all Improvements located thereon.
- 3.3. <u>Cross-access Easements</u>. Each Owner is granted a private, perpetual, non-exclusive Easement on, over and across the General Common Area for the purpose of pedestrian ingress and egress from public rights of way via all current access points to each respective Parcel.
- 3.4. <u>Drainage Easements</u>. Each Owner is granted a perpetual, non-exclusive Easement on, over, across, under and through the General Common Area for the purposes of (i) storm drainage of its respective Parcel, and (ii) constructing, installing, operating, servicing, repairing, replacing and maintaining any and all storm drainage facilities and related appurtenances, as such storm drainage facilities may be required by any applicable Governmental Authority to drain such Parcel, and provided that such storm drainage facilities do not interfere with an Owner's intended use and development of its Parcel and comply with all Governmental Authority requirements for storm drainage.
- 3.5. <u>Utility Easements</u>. Each Owner is granted a perpetual, non-exclusive Easement under and through each Parcel for the purpose of (i) using and maintaining all existing utility lines and facilities (including, without limitation, sanitary sewer service lines and facilities, and other utility, electrical, and irrigation lines and facilities) in their current location and (ii) installing, using, maintaining, repairing and replacing new utility lines and facilities to connect any Parcel to any utilities with adequate capacity located on any other Parcel.
- 3.6. Encroachment Easements. Each Owner is granted a perpetual, non-exclusive Easement for encroachments as between Parcels due to the placement or settling or shifting of any Improvements constructed, reconstructed, or altered thereon. This Easement extends to a distance of not more than one (1) foot, as measured from any point on the common boundary between each adjacent Parcel along a line perpendicular to such boundary at such point; provided, however, in no event shall an Easement

for encroachment exist if such encroachment occurred due to the gross negligence or willful conduct on the part of the party responsible for the installation of such Improvements.

- 3.7. <u>Temporary Construction Easements</u>. Each Owner is granted a temporary, non-exclusive construction easement on any undeveloped portion of the Property, as reasonably required during construction of improvements on an adjacent Parcel (the "**Temporary Construction Easement**"). The Temporary Construction Easement for each Owner will expire upon issuance of a certificate of occupancy by the applicable Governmental Authority to an Owner constructing such Improvements on its Parcel.
- 3.8. <u>Public Utility Easement</u>. Each Owner is granted a perpetual, non-exclusive public utility easement (the "**Public Utility Easement**") on, over and under such portions of the Project within the General Common Area for the purposes of the Owners and the providers of such utilities (i) constructing, designing, installing, repairing, replacing, and/or using any and all public utilities, including, but not limited to, electricity, natural gas, telecommunications, etc. (collectively, the "**Public Utilities**"), provided the Public Utilities do not interfere with vehicular and pedestrian ingress/egress to and from the portions of the Project encumbered by the Public Utility Easement, and (ii) thereafter maintaining, operating, inspecting, altering, removing, replacing, and protecting the same, along with the right of ingress and egress for such purposes.
- 3.9. <u>Reservation</u>. Each Owner hereby reserves the right to use any portion of their respective Parcel for any use permitted herein that is not inconsistent with the other Owners' Easement rights as set forth in this <u>Section 3</u>.
- 3.10. No Public Dedication. Nothing contained in this Declaration shall be deemed to be a gift or dedication of any portion of the Project, including without limitation the General Common Area and Limited Common Area, to or for the general public or for any public purpose whatsoever, it being the intention of Declarant that this Declaration will be strictly limited to and for the purposes herein expressed. Notwithstanding the grant of the Easements, each Owner may be entitled to take whatever steps it deems reasonably necessary to protect and preserve the private ownership of its Parcel and to prevent the same from being dedicated to the public use as a matter of law. An Easement granted herein to the City and/or a Governmental Authority shall be deemed granted to the City and/or the applicable Governmental Authority only, which may be used by its employees, agents, contractors and representatives in performance of their respective duties within the Project, and shall not be construed to be a grant to the public generally.
- 3.11. No Barriers. No walls, fences or barriers of any kind shall be constructed or maintained on the Easements, or any portion thereof, by any party which shall prevent or impair the use or exercise of the Easements granted herein, or the free access and movement, including without limitation, of pedestrians across the Parcel as contemplated herein; provided, however, reasonable controls may be installed along any of the Easements referenced in this Section to promote the safe, orderly flow of pedestrian traffic on the Project and to ensure the safety and privacy of any Owner or Occupant on the Property provided (i) they do not unreasonably block or impede traffic flow and (ii) are pre-approved in writing by all affected parties. The only exceptions to this provision shall be (a) for incidental, temporary encroachments which may occur in conjunction with the construction, maintenance or repair of buildings and improvements, so long as such construction, maintenance or repair is being diligently pursued, and/or for temporary blockage of certain areas deemed necessary by the parties to prevent a public dedication of an easement or access right, and (b) for private screen walls and/or gates where the Owners and/or Occupants of the Property have secured access.

4. **Development and Use Restrictions.**

- 4.1. <u>Development of Parcels</u>. Each Owner shall be responsible for the construction of all Improvements which are constructed upon its Parcel. No Owner shall be responsible to contribute to the cost of the construction, reconstruction or repair of any Improvements located upon any other Parcel unless agreed upon in writing by such Owner or as otherwise set forth in this Declaration.
- 4.2. <u>Construction of Improvements</u>. Each Owner shall cause all Improvements constructed on its Parcel(s), including, without limitation, the Easements, to be of quality and appearance (i) consistent with other developed or developing Parcels, and (ii) similar to other first-class developments in the City. Once commenced, construction, reconstruction or repair of any Improvements shall be diligently prosecuted to completion. The Owner of the Parcel on which Improvements are being constructed, reconstructed or repaired shall at all times keep the driveways and other access ways contiguous to the Parcel clean and free from any dirt, mud, dust, garbage, refuge, trash or other debris which might be occasioned by such activities. When planning, designing, constructing and maintaining Improvements within their respective Parcels, the Owners shall take into consideration the location and purpose of the Easements described in Section 3, and shall not take any action that in any way circumvents or prevents use of said Easements as permitted herein.
- 4.3. <u>Permitted Use; Prohibited Uses</u>. All Parcels within the Project shall be used exclusively for residential purposes and in compliance with all applicable laws, regulations and zoning ordinances.
- 4.4. <u>Compliance with Law.</u> No portion of the Project may be occupied for any use which is in violation of any applicable ordinances, laws and regulations of any Governmental Authority.
- 4.5. <u>No Subdivision of Parcel</u>. No Parcel shall be further subdivided without the prior written consent of all Owners within the Project and approval by the applicable Governmental Authority. Notwithstanding the forgoing, with respect to Parcels which shall be owned by Declarant at the time of such adjustments, Declarant shall have the right, subject to applicable laws and ordinances but without the consent being required of any Owner, (i) to relocate or otherwise reconfigure the boundary lines of any Parcel as provided for in <u>Section 2.5</u> and (ii) to combine Parcels. Nothing contained herein shall be construed to grant Declarant the right to alter the boundary of any Parcel not owned by Declarant without the express written consent of the Owner of such Parcel.
- 4.6. <u>Use of Parcel</u>. The use of a Parcel shall be in accordance with and subject to the following provisions:
- 4.6.1. All Units shall be used and occupied for residential dwelling purposes only, except that the Declarant may use a Unit owned by Declarant as a model space or leasing office.
- 4.6.2. A Unit may be rented or leased by the Owner or its lessee, provided the entire Unit is rented and the lease is in writing. The minimum lease term shall be thirty (30) days. Nightly or weekly rentals are prohibited. No lease shall relieve the Owner as against Declarant and the Association and other Owners from any responsibility or liability imposed by this Declaration. All Owners who lease their Units shall promptly notify Declarant or the Association in writing of the names of all tenants and members of tenants' family occupying such Unit and shall provide the Declarant or the Association of the address and telephone number where such Owner can be reached.

- 4.6.3. Nothing shall be altered in, constructed in, or removed from the General Common Area except upon written consent of Declarant or the Board of Directors, which may be given through regulations of the Association, and further provided that any holder of a first mortgage which acquires possession of a Unit by foreclosure or by deed in lieu of foreclosure shall have the right to post signs for the sale or rental of such Unit until such Unit is sold or a lease is entered into.
- 4.6.4. No activity shall be allowed which unduly interferes with the peaceful possession and use of the property by the Owners nor shall any fire hazard or unsightly accumulation of refuse be allowed.
- 4.6.5. No Owner, guest or invitee thereof shall block vehicular access to a Unit's parking by parking vehicles or placing objects within that portion of a driveway which provides direct access to said parking. No Owner shall be allowed to install additional parking slabs on any part of the Property. Each Owner's guests or invitees will park their own vehicles only on the parking spaces provided, doing the same in such a manner as to not violate the provisions of this subparagraph. No vehicles may be permanently parked on the unreserved parking spaces within the Project. Vehicles parked on unreserved parking spaces must be moved at least once every twenty-four (24) hours. Parking of vehicles shall only be allowed in garages and on unreserved parking spaces as provided herein.
- 4.6.6. Nothing shall be done or kept in the General Common Areas Elements which will increase the rate of insurance on the same, without the prior written consent of Declarant or the Association.
- 4.6.7. Declarant and the Association shall have the authority to adopt rules and regulations governing the use of the Project and such rules shall be observed and obeyed by the Owners, their guests and invitees. The adoption of such rules and regulations shall not be considered an amendment to this Declaration unless such rule(s) is inconsistent with other provisions of the Declaration, in which case an Amendment to the Declaration will be required. Declarant and the Association shall have the authority to impose fines against Owners or their tenants for failure to comply with such rules and regulations, and such fines, if not timely paid, shall become a lien against the Unit, as provided for herein or in the Bylaws.
- 4.6.8. Agents of or contractors hired by Declarant or the Association may enter any Unit when necessary in connection with any maintenance, landscaping, or construction for which Declarant or the Association is responsible, provided such entry shall be made with reasonable advance notice to the Owners and with as little inconvenience to the Owners as practicable.
- 4.6.9. An Owner shall be liable to Declarant, other owners, and the Association for the expense of any maintenance, repair, or replacement rendered necessary by its acts, neglect, or carelessness, or by that of its guests, employees, agents or lessees, which liability shall include any increase in insurance rates resulting therefrom.

5. **Maintenance**.

- 5.1. <u>Maintenance by Declarant</u>. Prior to the conveyance of the first Parcel to an unaffiliated third-party, Declarant shall be solely responsible for maintaining the General Common Area. At such time as Declarant conveys the first Parcel to an unaffiliated, third-party, maintenance of the General Common Area shall be by the Association.
- 5.2. <u>Maintenance by Association</u>. Declarant and/or the Association shall maintain the General Common Area in a first-class condition consistent with similar developments in the City, and shall

make assessments related thereto as a Common Expense except where maintenance has been specifically made the responsibility of an individual Owner. If an Owner defaults on its responsibilities of maintenance, Declarant or the Association shall assume such responsibilities and shall assess the cost thereof against the Parcel of such Owner and such assessment shall be collectible as if it were an assessment for Common Expenses. The Association may, in its discretion, assume responsibility for any maintenance project which requires reconstruction, repair, rebuilding, conservation, restoration or similar work to more than one Parcel and the cost thereof may be, in the discretion of the Association, either assessed against each Parcel on which such costs were incurred or assessed against all Parcels as a Common Expense according to the circumstances.

- 5.3. Maintenance by Owners. Except as otherwise provided for herein, or as otherwise agreed to by Declarant and/or the Association, each Owner shall continuously maintain all Improvements located on its Parcel, as well as any Landscaping located in any public right of way adjacent to its Parcel, in a well-kept appearance of a first-class development in the City. Each Owner shall keep its Parcel and the Landscaping located in any public right of way adjacent to its Parcel free from rubbish, debris, fire hazards or any unsanitary, unsightly or offensive condition and to conduct such weed abatement, rubbish and debris removal and other maintenance to the extent required by applicable federal, state, and/or local laws, rules, regulations and ordinances. Each Owner shall be responsible for the exterior and interior maintenance of any and all Buildings and any and all Improvements, including, without limitation, sidewalks, parking lots, lighting, Landscaping and driveways, located on said Owner's Parcel except as otherwise set forth in this Declaration. Each Owner, for himself/herself/itself and its successors, assigns, transferee, heirs, devisees, and personal representatives thereof, covenants and agrees to not take any action, or fail to take any action, that would compromise or negatively affect the integrity, condition or appearance of the General Common Area, the Limited Common Area, or the Project as a whole.
- 5.4. <u>Maintenance of Limited Common Area</u>. Notwithstanding anything herein to the contrary, the Owner of each Parcel shall be solely responsible to maintain the Limited Common Area located on such Owner's Parcel consistent with the standards otherwise set forth herein; provided, however, if an Owner fails to maintain the Limited Common Area, Declarant or the Association may perform such responsibilities and assess the cost thereof against such Owner. Declarant and the Association shall have a temporary license to enter upon each Parcel, including the Limited Common Area, to exercise the foregoing rights.
- 5.5. Payment of Common Expenses. Declarant or the Association shall assess each Owner for its pro rata share for all Common Expenses incurred by Declarant or the Association in performing the maintenance set forth in this Article 5. Each Owner shall remit payment to Declarant or the Association within the time required by the Board of Directors. If any Owner fails to pay its pro rata share of Common Expenses as set forth herein, Declarant and the Association shall have (i) the right to charge such Owner interest at the Default Rate, (ii) a lien on the Parcel of the defaulting Owner for such unpaid amounts plus interest at the Default Rate and other amounts as more fully set forth herein, and (iii) any and all other rights and remedies provided at law or in equity for the collection of debts.
- 5.6. <u>Alterations or Improvements by the Association</u>. Whenever in the judgment of Declarant or the Board of Directors the General Common Area shall require additions, alterations or improvements, Declarant or the Board of Directors shall proceed with such additions, alterations or improvements and shall assess all Owners for the cost thereof as a common charge.

6. Shared Maintenance and Party Walls.

6.1 <u>General Maintenance of Shared Improvements and Party Walls</u>. Each Owner shall maintain and repair the surface and non-structural elements of (i) any Improvements that are shared with

an adjoining Unit but included as such Owner's Unit (i.e. roof and exterior finishes of any Unit) and (ii) any party wall that separates any two (2) adjoining Units facing such Owner's Unit.

6.2 <u>Shared Repair and Maintenance</u>. The costs to maintain and repair the structural elements of any party wall that separates any two (2) adjoining Units shall be equally shared by the adjoining Unit Owners. The costs to maintain, repair and replace any shared driveway Improvements that benefit more than one Unit shall be equally shared by all Unit Owners whose Unit benefits from such driveway Improvements. The obligations set forth above in the preceding sentence includes the removal of any snow and ice from any shared driveway Improvements in a timely manner. In addition, if any exterior elements of a Unit (including, but not limited to, exterior walls, finishes, roofs, rain gutters and downspouts, overhangs, etc.) require maintenance, repair or replacement of such exterior elements on an adjoining Unit, the adjoining Unit Owners will work together in good faith and agree on each Owner's proportionate share of the costs and expenses to complete such maintenance, repair or replacement.

In the event an Owner owns two adjacent Units separated by a party wall, the Owner may alter the party wall to create an aperture between the two commonly owned Units, subject to Declarant and/or Association approval and the following conditions: (i) the alteration cannot impair the structural integrity or mechanical systems of the Units; (ii) the alteration cannot reduce the support of any portion of the Common Areas; (iii) the alteration cannot violate any ordinances or codes of the Governmental Authority; (iv) the Owner shall submit an opinion by a licensed civil engineer as to the foregoing; and (v) the Owner shall pay a fee to Declarant or the Association to cover the costs and expenses to process and review the application. If the Units are ever sold or become under separate ownership, the aperture shall be removed and the party wall restored consistent with the original construction.

- 6.3 <u>Damage and Destruction</u>. If any Improvements that are shared between adjoining Units or a party wall are destroyed or damaged by fire or other casualty, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, any adjoining Unit Owner may repair and restore the shared Improvement or party wall. If any adjoining Unit Owner thereafter makes use of the shared Improvement or party wall, such Unit Owner shall contribute its proportionate share toward the cost of repair and restoration. Notwithstanding the above, the Owner who repaired and restored the party wall may require a larger contribution from any Owner under any rule of law regarding liability for negligent or willful acts or omissions. In the event any damage or destruction is covered by insurance, the party receiving any insurance proceeds hereby waives right of recovery and of subrogation against the other adjoining Unit Owner(s).
- 6.4 <u>Right to Contribution Runs with the Land</u>. The right of any Owner to contribution from any other Owner under this Section shall be appurtenant to the land and shall pass to such Owner's successors-in-title.

7. Membership and Voting Rights.

- 7.1. <u>Creation of Association</u>. Prior to the conveyance of the first Parcel to an unaffiliated, third-party, Declarant shall incorporate the Association as required by the Utah Revised Nonprofit Corporation Act, Utah Code Title 16, Chapter 6a, as may be amended from time to time, by filing the Articles and adopting the Bylaws. Prior to its formation, Declarant shall operate the Project in place and stead of the Association with all powers and authority of the same as provided for in the Act. Prior to the formation of the Association, any reference in this Declaration to Association shall mean and refer to Declarant.
- 7.2. <u>Association</u>. At such time as Declarant conveys the first Parcel to an unaffiliated, third-party, and upon formation of the Association as provided for in <u>Section 7.1</u>, Declarant shall turn over

the operation and management of the Project to the Association, which operation and management shall be in accordance with this Declaration, the Articles and the Bylaws. Whenever a vote or other action of Owners as a group is required, the mechanics of conducting such a vote or taking such action shall be under the control and supervision of the Association. The action of the Association shall constitute the action of the Owners.

- 7.3. Compliance. All Owners, Occupants, tenants, invitees, families, guests and other persons using or occupying the Project shall be bound by and strictly comply with the provisions of the Bylaws of the Association and all agreements, regulations and determinations lawfully made by the Association and its directors, officers or agents shall be binding on all such Owners and other persons. A failure to comply with the Bylaws or any agreement or determination thus lawfully made shall be grounds for an action to recover sums due for damages on the part of the Association or any Owner, as applicable, or for injunctive relief or for any other relief authorized by law or in the Association's corporate documents, without waiving any other remedy.
- 7.4. Powers of Association. Each Owner agrees that the Association has and shall exercise all powers, rights and authority granted unto it on behalf of the Owners, including but not limited to the making of assessments chargeable to Owners and the creation and enforcement of a lien on Parcels thereof as provided for under Utah law, including, without limitation, the Act, and to acquire a Parcel at foreclosure sale and to hold, lease, mortgage or convey the same. The Association shall also have the authority to impose fines against Owners or tenants for failure to comply with any provision in the Articles, Bylaws, or any rules and regulations adopted by the Board, which fine shall be a lien upon said Parcel or Parcels. Any assessment or other charge made by the Association against an Owner or Parcel shall accrue interest at the Default Rate, or such other lawful rate, if not paid when due. Liability for payment of Common Expenses, assessments, or other charges shall be joint and several, and any remedy for the collection of the forgoing may be enforced against any Owner of the Parcel or the Parcel itself. Any relief obtained by the Association shall include reimbursement by said Owner for the Association's cost and expenses, including reasonable attorney's fees. The Association shall be entitled to the appointment of a receiver to collect any income or rentals which may be produced by any Parcel against which the Association's initiates foreclosure proceedings.
- 7.5. <u>Membership, Voting Rights</u>. Upon formation of the Association, the members of the Association shall consist of all of the record Owners of Parcels. Change of membership in the Association shall be established by recording in the public records of the County Recorder, a deed or other instrument establishing a record title to a Parcel and the membership of the prior Owner shall be thereby terminated. The members of the Association shall be entitled to one (1) vote for each Unit owned in the Project.
- 7.6. <u>Restraint Upon Assignment</u>. The share of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to an Owner's Parcel.
- 7.7. <u>Board of Directors</u>. The affairs of the Association shall be conducted by the Board of Directors consisting of not less than three (3) and no more than five (5) Directors who shall be designated in the manner provided in the Bylaws.
- 7.8. <u>Discharge of Liability</u>. All Owners shall promptly discharge any lien which may hereafter be filed against its Parcel.
- 7.9. <u>Limitation on Association's Liability</u>. The Association shall not be liable for any injury or damage to property caused by or on the General Common Areas or by another Owner or person

in the Project or by any other means unless caused by the gross negligence of the Association. No diminution or abatement of Common Expenses shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements of the General Common Areas or from any action taken to comply with any law, ordinance or orders of a governmental authority.

- 7.10. <u>Indemnification of Directors and Officers</u>. Every Director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including legal counsel fees, reasonably incurred by or imposed upon him or her in connection with any proceeding to which it may be a party, or in which it may become involved, by reason of it being or having been a Director or officer of the Association, or any settlement thereof, whether or not it is a Director or officer at the time such expenses are incurred, except in such cases wherein the Director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of its duties provided that in the event of a settlement the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being in the best interests of the Association. The foregoing rights of indemnification shall be in addition to and not exclusive of all other rights to which such Director or officer may be entitled.
- 7.11. <u>Agent to Receive Service of Process</u>. The Association's agent, in the State of Utah, designated as the agent to receive service of process upon the Association, shall be as set forth in the Association's Articles of Incorporation.

8. Rights, Duties and Obligations.

- 8.1. <u>Indemnification</u>. To the fullest extent permitted by applicable law, each Owner and their successors and assigns hereby agree to indemnify, defend and hold the other Owners, including the Association, harmless from and against any and all liens, encumbrances, costs, demands, claims, judgments, and/or damage caused by or arising out of: (i) the acts and omissions of such Owner and their agents, servants, employees, contractors, and/or invitees on the Project; and (ii) the use of any other Parcel by such Owner and their agents, servants, employees, contractors or invitees. The terms and conditions of this provision shall remain effective, notwithstanding the expiration or termination of this Declaration.
- 8.2. <u>Insurance</u>. Each Owner shall obtain and maintain a policy of general commercial liability insurance sufficient to insure their respective interests against claims for personal injury, bodily injury, death, and property damage occurring on, in or about the Project, including without limitation the General Common Area. The Association shall procure and maintain a comprehensive general liability and property damage insurance policy on the General Common Area and the Improvements thereon, the cost of which shall be a Common Expense, with minimum coverage of at least \$1,000,000.

8.3. <u>Enforcement</u>.

8.3.1. Non-Monetary Default. If any default or breach of this Declaration of any non-monetary obligation ("Non-Monetary Default") by any Owner is not remedied within thirty (30) days after notice thereof from another Owner, Declarant or the Association, the non-defaulting Owner, Declarant, or the Association, may reasonably enforce this Declaration (including, without limitation, any and all easements, covenants, conditions, restrictions, terms, provisions, rights and/or duties now or hereafter imposed in any of the foregoing) through any of the following methods: (i) bring a suit at law or in equity to enjoin any violation or to recover monetary damages or both, or (ii) perform the necessary action specified in the notice. If any Owner, Declarant or the Association opts to enforce this Declaration via self-help as set forth above in subsection (ii), the defaulting Owner shall reimburse the performing Owner, Declarant or the Association for all costs and expenses incurred in performing the necessary action within sixty (60) days of receiving written notice thereof.

8.3.2. <u>Monetary Default</u>. If any default or breach of this Declaration of any monetary obligation by any Owner (each, a "**Monetary Default**") is not remedied within thirty (30) days after notice thereof from another Owner, Declarant or the Association, the non-defaulting Owner, Declarant or the Association (each a "**Curing Owner**") may reasonably enforce this Declaration as follows:

8.3.2.1. <u>Notice of Claim of Lien</u>. If there is a Monetary Default, any delinquent amounts, together with interest at the Default Rate from the date of the Monetary Default, costs and attorneys' fees incurred by the Curing Owner in the collection of said delinquent amounts, shall be a lien against the Parcel of the defaulting Owner (the "**Delinquent Owner**") in favor of the Curing Owner. To evidence such a lien, the Curing Owner may prepare and execute a written notice of lien setting forth the delinquent amounts, the name of the Delinquent Owner, a description of the Delinquent Owner's Parcel, and any other information required by law, which may be recorded.

8.3.2.2. Foreclosure of Lien. To the fullest extent permitted under applicable law, and in accordance with the Act, (i) such lien may be enforced by sale or foreclosure (judicial or non-judicial) of the Delinquent Owner's Parcel conducted in accordance with the provisions of law applicable to the exercise of powers of sale or judicial foreclosure of deeds of trust or mortgages or in any other manner permitted by law, and (ii) the Curing Owner shall have the right to appoint and assign a trustee to the extent necessary or convenient for any foreclosure. In any such foreclosure, the Delinquent Owner shall be required to pay the costs and expenses of such proceeding (including reasonable attorneys' fees), and such costs and expenses shall be secured by the lien being foreclosed. Notwithstanding any language to the contrary herein, all acts regarding the liens, assessments and foreclosures as described above shall be taken in accordance with applicable law. In all events, the lease of any tenant on the Delinquent Owner's Parcel shall not be terminated by the foreclosure.

The failure by any Owner or the Association to enforce any provision, condition, term, limitation, restriction or prohibition set forth in the Declaration shall not be deemed a waiver of any rights whatsoever.

9. Miscellaneous.

9.1. <u>Notices</u>. Upon acquisition of title to a Parcel, each Owner shall provide written notice to Declarant and/or the Association of such Owner's address for purposes of furnishing notices in connection with this Declaration and if no such address shall have been provided, then the address used by the County for the mailing of real property tax statements for such Parcel shall be used for such notice. Declarant or the Association shall maintain a record of the current notice addresses furnished by the other Owners, if any. All notices given to Declarant shall be sent to the following address:

Declarant:

ECG Properties, LLC Attn: Asset Manager 2637 North 400 East, #127 North Ogden, UT 84414

All notices to be given pursuant to this Declaration shall be sufficient if given by personal service, by guaranteed overnight delivery service or by being mailed postage prepaid, certified or registered mail, return receipt requested, to the prescribed address. Any time period provided in the giving of any notice hereunder shall commence upon the date of personal service, the date after delivery to the guaranteed overnight delivery service or two (2) days after mailing by certified or registered mail.

9.2. <u>Amendment</u>. No supplement, modification or amendment of this Declaration shall be binding unless in writing and executed by at least two-thirds (66.67%) of the Owners entitled to vote;

provided, however, so long as Declarant owns any Parcel within the Project, Declarant may amend this Declaration without the consent of any other Owner. Additionally, so long as Declarant owns any Parcel within the Project, Declarant may unilaterally, without the consent of any other Owner, amend Exhibit C of this Declaration to incorporate additional Plats for future Phases of the Project.

- 9.3. <u>Duration</u>. The Covenants, Conditions and Restrictions of this Declaration shall run with and bind the Project, and shall inure to the benefit of and shall be enforceable by Declarant, the Association, each Owner, and their respective legal representatives, heirs, successors, and assigns, for a term of forty (40) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless an instrument in writing, signed by a majority of the then Owners, has been recorded within the twelve (12) month period preceding the renewal of this Declaration, agreeing to change said Covenants, Conditions and Restrictions, in whole or in part, or to terminate the same, in which case this Declaration shall be modified or terminated as specified therein.
- 9.4. <u>No Merger</u>. The Easements, covenants and restrictions and other provisions contained in this Declaration shall remain in full force and effect despite the fact that any of the Parcels may be owned by the same persons from time to time. It is the express intent of Declarant to create a common scheme for the development and operation of the Project which will not be terminated by the doctrine of merger or otherwise unless this Declaration is terminated in accordance with the provisions hereof.
- 9.5. Assignment of Declarant's Rights and Remedies. Any and all of the rights, powers and reservations of Declarant herein contained may be assigned by Declarant to any person, corporation, association or other entity which assumes such assigned duties of Declarant hereunder, including the Association. In the event that Declarant attempts to assign less than all of the rights, powers and reservations of Declarant set forth herein, then any such assignment must specify which rights, powers and reservations are being assigned and the only party that shall be permitted to exercise a right reserved or granted unto Declarant shall be the party to whom such right has been assigned. To be effective, such assignment must be in writing, must be recorded in the office of the County Recorder, and must specifically refer to the rights, powers and reservations of Declarant hereunder which are being assigned. Upon acceptance of such assignment by any such person or entity (such acceptance may be shown, among other ways, by execution of such assignment by such assignee, or by such assignee recording the assignment in the office of the County Recorder) and recording of such assignment in the office of the County Recorder, said assignee shall, to the extent of such assignment, assume, and be deemed to have assumed, Declarant's duties hereunder and shall have the same rights and powers and be subject to the same obligations and duties as are given to and assumed by Declarant herein. Upon such assignment and recording, and to the extent thereof, the party making such assignment shall be relieved from all liabilities, obligations and duties hereunder arising from and after the date of such assignment. Anything contained elsewhere herein to the contrary notwithstanding, the mere conveyance or transfer of ownership of the Property by Declarant to any person or party, whether by deed or other instrument of conveyance, shall in no way convey any right, power or reservation of Declarant hereunder. A successor to Declarant by reason of any merger or consolidation of the then Declarant shall automatically be deemed to have assumed Declarant's duties hereunder and shall have the same rights and powers and be subject to the same obligations and duties as are given to and assumed by Declarant herein.
- 9.6. <u>Violation of Law</u>. Any violation of any federal, state, municipal or local law, ordinance, rule or regulation, pertaining to the ownership, occupation or use of any Property or Improvements within the Project, is hereby declared to be a violation of this Declaration and shall be subject to any and all of the enforcement procedures set forth in this Declaration.

- 9.7. <u>No Third-Party Beneficiary</u>. This Declaration has been executed and recorded for the benefit of Declarant and the Owners. Unless otherwise set forth herein with specificity which shall include the name of the party which shall be intended to be benefitted by a specific provision of this Declaration, no other party shall be construed to be an intended third party beneficiary of any of the rights, duties or obligations set forth herein and no party other than Declarant or an Owner shall, therefore, have the right to enforce any provision hereof, unless such right shall be specifically set forth herein.
- 9.8. <u>Liberal Interpretation</u>. The provisions of this Declaration shall be liberally construed as a whole to effectuate the purpose of this Declaration.
- 9.9. <u>Captions</u>. The titles, headings and captions used herein are for convenience only and are not a part of this Declaration and shall not be considered in construing, nor shall same be used to limit or amplify the terms and provisions hereof.
- 9.10. <u>Invalidity of Provision</u>. If any provision of this Declaration as applied to any circumstance shall be adjudged by a court of competent jurisdiction to be void or unenforceable for any reason, the same shall in no way affect (to the maximum extent permissible by law) any other provision of this Declaration, the application of any such provision under circumstances different from those adjudicated by the court, or the validity or enforceability of the Declaration as a whole.
 - 9.11. Exhibits. All exhibits to this Declaration are incorporated herein by this reference.
- 9.12. <u>Governing Law</u>. This Declaration and the exhibits attached hereto shall be governed by and construed under the laws of the State of Utah.

[Signature and Acknowledgment Follow]

IN WITNESS WHEREOF, Declarant has executed this Declaration as of the Effective Date.

DECLARANT:

ECG PROPERTIES, LLC, a Utah limited liability company

Its: Manager

STATE OF UTAH

) ss:

COUNTY OF WEBER

This instrument was acknowledged before me on the day of _______, 2021, by Eric Thomas, Manager of ECG PROPERTIES, LLC, a Utah limited liability company.

JESSICA GONZALEZ
Notary Public - State of Utah
Comm. No. 714954
My Commission Expires on
Nov 2, 2024

Notary Public

Ent: 434946 B: 1478 P: 0490 Page 18 of 21

EXHIBIT A

(Legal Description of the Property)

BEGINNING AT A POINT 15 CHAINS WEST & 16.30 CHAINS NORTH OF SE CORNER OF SEC 23, T 09N, R 02W, SLM. THENCE WEST 21.10 CHAINS; SOUTH 2.38 CHAINS; N 89.5°00'00" W 7.98 CHAINS; N 25°08'00" E 5.04 CHAINS; EAST 26.90 CHAINS; SOUTH TO BEGINNING. ALSO BEGINNING AT A POINT 13.75 CHAINS NORTH & 26.96 CHAINS WEST OF SE CORNER OF SEC 23, WEST 9.14 CHAINS, NORTH 2.38 CHAINS, N 89.5°00'00" E 9.14 CHAINS, SOUTH 2.45 CHAINS TO BEGINNING.

Tax Parcel No. 03-115-0015

AND

BEGINNING AT A POINT 15 CHAINS WEST & 13.75 CHAINS NORTH OF SE CORNER OF SEC 23, T 09N, R 02W, SLBM. THENCE WEST 11.96 CHAINS; NORTH 2.45 CHAINS; N 89.5°00'00" E 11.96 CHAINS; SOUTH 2.55 CHAINS TO BEGINNING.

Tax Parcel No. 03-115-0016

EXHIBIT B

(Master Site Plan)

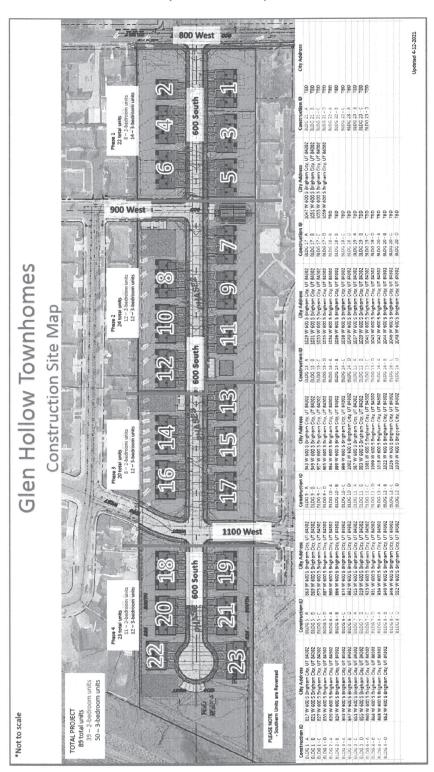


EXHIBIT C

(Plat for Phase 1)

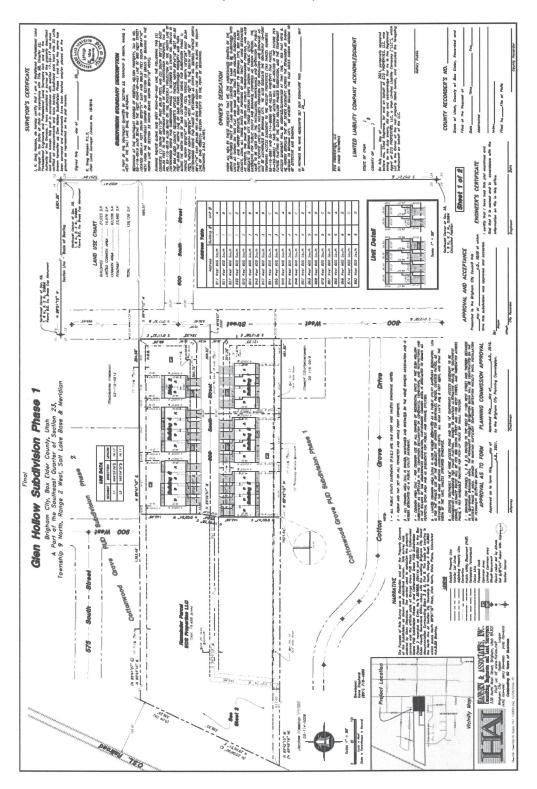


Exhibit C

EXHIBIT C
CONTINUED
(Plat for Phase 1)

