

**AMENDED & RESTATED DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS
FOR
STARSIDE PHASE 1 - PARCEL 9
a Planned Unit Development
Tooele County**

This Amended and Restated Declaration of Covenants, Conditions and Restrictions, for Starside Phase 1 - Parcel 9 is adopted by Starside Phase 1 - Parcel 9 Homeowners Association, Inc. and is effective as of the date it is recorded in the office of the Tooele County Recorder.

RECITALS:

A. This Declaration affects the real property situated in Tooele County, Utah, described with particularity on Exhibit A, which exhibit is attached hereto and incorporated in this Declaration by reference (the "Project") and shall be binding on all parties having or acquiring any right, title, or interest to the Project or any part thereof.

B. The *Declaration of Covenants, Conditions and Restrictions, and Reservation of Easements for Starside Phase 1 – Parcel 9* was recorded in the Tooele County Recorder's Office on January 1, 2007 as Entry No. 276287 (the "Enabling Declaration").

C. The *Amendment to the Declaration of Covenants, Conditions, and Restrictions* was recorded in the Tooele County Recorder's Office on March 19, 2014 as Entry No. 396612.

D. This *Amended and Restated Declaration of Covenants, Conditions and Restrictions for Starside Phase 1 – Parcel 9* is adopted to: (1) clarify and define the rights of the Association and the Owners, in and to the Project, (2) conform to changes to the Utah Community Association Act and other Utah law, (3) provide for a general plan for managing the Project, and (4) in furtherance of the effort to provide a quality living environment and protect and maintain the value of the Project.

E. This Declaration, which (along with and subject to any future amendments) shall be the sole declaration for the Project and shall completely replace and supersede in all respects the Enabling Declaration and all prior declarations and amendments thereto, (whether recorded or not, properly adopted or not, or referenced in this Declaration or not), prior to the date of the recording of this Declaration.

F. The Bylaws of the Association attached hereto as Exhibit B supersede and replace all previous bylaws of the Association and any amendments thereto.

G. Pursuant to Article III, Section 14.02 of the Enabling Declaration, and pursuant to the terms of the Amendment, the undersigned hereby certifies that the voting requirements necessary to adopt this Declaration and Bylaws have been satisfied.

AGREEMENT

NOW, THEREFORE, all real property in the Project is and shall henceforth be owned, held, conveyed, encumbered, leased, improved, used, occupied and enjoyed subject to the following uniform covenants, conditions, restrictions and equitable servitudes. The said covenants, conditions, restrictions and equitable servitudes are in furtherance of, and the same shall constitute a general plan for the ownership, improvement, sale, use and occupancy of the Project; they are also in furtherance of and designed to accomplish the desires, intentions, and purposes set forth above in the Recitals.

ARTICLE I. - DEFINITIONS

When used in this Declaration (including in that portion hereof entitled "Recitals"), each of

the following terms shall have the meaning indicated.

1. Articles of Incorporation shall mean and refer to the Articles of Incorporation of the Starside Phase 1 - Parcel 9 Homeowners Association, Inc. on file with the Utah Department of Commerce.

2. Assessment shall mean and refer to any amount imposed upon, assessed or charged a Lot Owner or Resident at the Project.

3. Association shall mean Starside Phase 1 - Parcel 9 Homeowners Association, Inc., a Utah nonprofit corporation. Failure of the Association to maintain its corporate status will not result in the dissolution of the Association. The Association may renew or reinstate its corporate status without Owner approval.

4. Building shall mean and refer to any of the structures constructed in the Project.

5. Business Use and Trade shall mean and refer to any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (a) such activity is engaged in full or part-time; (b) such activity is intended to or does generate a profit; or (c) a license is required therefore.

6. Bylaws shall mean and refer to the Bylaws of the Association, a copy of which is attached to and incorporated in this Declaration by reference as Exhibit "B".

7. Capital Improvement shall mean and refer to all new improvements intended to add to, enhance or upgrade the nature, scope, utility, value, or beauty of the Project, as opposed to ordinary repair and maintenance.

8. City shall mean and refer to Stansbury Park, Utah.

9. Common Areas shall mean and refer to all real property in the Project owned in common by the Lot Owners including but not limited to the following items:

a) The real property and interests in real property submitted hereby, including the entirety of the Plat and all improvements constructed thereon, excluding the individual Lots.

b) All Common Areas designated as such in the Plat Map;

c) All utility installations and all equipment connected with or in any way related to the furnishing of utilities to the Project and intended for the common use of all Lot Owners, such as telephone, electricity, gas, water, cable tv and sewer;

d) The park;

e) All portions of the Project not specifically included within the individual Lots; and

f) All other parts of the Project normally in common use or necessary or convenient to the use, existence, maintenance, safety, operation. or management of the Project, or any property owned by the Association for the common benefit of its Members. Provided, however, the Association shall have no responsibility to operate or maintain utility installations such as telephone, electricity, gas, water, and sewer dedicated to, or operated by, the City or a utility company.

10. Common Expense shall mean and refer to: (a) The expense of all irrigation water

for the Common Area; (b) All sums lawfully assessed against the Owners; (c) Expenses of administration, maintenance, repair or replacement of the Project; (d) Expenses allocated by the Association among the Owners; (e) Expenses agreed upon as common expenses by the Association; (f) Expenses declared common expenses by the Declaration; and (g) Any other expenses necessary for the common benefit of the Owners.

11. Community Wide Standard shall mean and refer to the standard of conduct, maintenance, or other activity generally prevailing in the Project, as determined by the Management Committee from time to time in the Rules or Design Guidelines.

12. County Recorder shall mean and refer to the Tooele County Recorder in the State of Utah.

13. Declaration shall mean and refer to this Declaration of Covenants, Conditions and Restrictions, a Planned Unit Development for Starside Phase 1 - Parcel 9.

14. Design Guidelines shall mean and refer to the architectural and engineering plans, specifications, and guidelines adopted by the Committee for the construction of Buildings, Lots, and other physical improvements in the Project, including by way of illustration but not limitation all structural components and Exterior Materials.

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

16. Exterior Materials shall mean and refer to stone, rock, stucco, wood, finished lumber, brick, or other similar materials as otherwise set forth in the Design Guidelines. The determination whether any specific material constitutes an acceptable Exterior Material shall be made by the Committee.

17. Family shall mean one of the following: (1) a single person living alone; (2) a group of natural persons related to each other by blood or legally related to each other by marriage or adoption, such as a parent, child, grandparent, grandchild, brother, sister, uncle, aunt, nephew, niece, great-grandparent or great-grandchild, with an additional person or persons as domestic help or a caretaker; or (3) a group of not more than three unrelated persons living and cooking together as a single housekeeping unit and maintaining a common household, but not as a boarding or rooming house.

18. Guest shall mean and refer to a visitor, guest, invitee, or any other person whose presence within the Project is approved by or is at the request of a particular Owner or Permittee.

19. Individual Assessments shall mean and refer to a charge levied by the Management Committee against an Owner or Permittee for all expenses resulting from the act or omission of such Owner or Permittee, excepting the Owner's failure to pay any Assessment.

a) The act or negligence of any Permittee shall be deemed to be the act or negligence of the Owner responsible for the Permittee.

b) Individual Assessments shall include, by way of illustration but not limitation, any expense resulting from the act or omission of any Owner or Permittee;

i. The cost to repair any damage to any portion of the Project on account of loss or damage caused by such Owner or Permittee;

ii. The cost to satisfy any expense to any other Owner or Owners or to the Association due to any intentional or negligent act or omission of such Owner or Permittee, or resulting from the breach by such Owner or Permittee of any provisions of the Project Documents;

iii. Any transient occupancy tax, sales tax, use tax or other tax levied pursuant to the laws of the State of Utah and payable by any Owner or Permittee which the Association is or shall be required or entitled to collect on behalf of the levying authority, although this subsection is not considered an acknowledgment that any such tax may be levied;

iv. Administrative costs and expenses incurred by the Committee in enforcing the Project Documents;

v. Any other fine, charge, fee, due, expense, or cost designated as an Individual Assessment in the Project Documents or by the Management Committee;

vi. Attorney fees, interest, and other charges relating thereto as provided in this Declaration; and

vii. Individual a la carte services provided, such as cable television, additional lawn, yard or garden care, the cost of insurance covering the deductible on the master Association all-risk policy, and so forth.

Individual Assessments shall be considered Assessments secured by a lien in the same manner as regular Assessments.

20. Lot shall mean and refer to any of the residential building pads, separately numbered and individually described on the Plat and intended for private use and ownership.

21. Lot Owner shall mean and refer to the person who is the owner shown of record in the office of the County Recorder of a fee interest in a Lot. The term Lot Owner does not mean or include a mortgagee or a beneficiary or trustee under a deed of trust unless and until such party has acquired title pursuant to foreclosure or any arrangement or proceeding in lieu thereof.

22. Majority shall mean and refer to those eligible votes of Owners or other groups as the context may indicate totaling more than fifty (50%) percent of the total eligible number.

23. Management Committee or Committee shall mean and refer to the committee of Owners elected or appointed in accordance with the terms and conditions of the Bylaws. The Committee is the governing body of the Association with the power to direct the affairs of the Association. The term Management Committee shall be considered the same as board of directors as that term is used in the Act and Nonprofit Corporation Act.

24. Manager shall mean and refer to the person or entity appointed or hired by the Association to manage and operate the Project and/or assist in the administration of the Association.

25. Member shall mean and refer to the Owner of a Lot, each of whom is obligated, by virtue of his ownership to be a member of the Association.

26. Mortgage shall mean and refer to both a first mortgage or first deed of trust on any Lot, but shall not mean or refer to an executory contract of sale.

27. Mortgagee shall mean and refer to a mortgagee under a first mortgage or a beneficiary under a first deed of trust on any Lot, but shall not mean or refer to a seller under an executory contract of sale.

28. Permanent Resident shall mean and refer to anyone who resides in the Project for more than four (4) consecutive weeks or for more than eight (8) total weeks in any calendar year.

29. Permittee shall mean and refer to a tenant, renter, lessee, or Guest of the Lot Owner.

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

31. Plat Map shall mean and refer to the Plat Map of "Starside Phase 1 - Parcel 9" on file in the office of the Tooele County Recorder, as amended or supplemented from time to time.

32. Project shall mean and refer to all of the land or real estate, improvements, and appurtenances submitted to this Declaration as more particularly set forth on Exhibit A.

33. Project Documents shall mean and refer to the Declaration, Bylaws, Rules and Regulations, Design Guidelines, and Articles of Incorporation.

34. Recreational, Oversized, or Commercial Vehicle shall mean and refer to any recreational, commercial, or 1-ton or greater vehicle; motor home; tractor; golf cart; all-terrain vehicle (ATV); motorized dirt bike; snowmobile; boat or other watercraft (whether motorized or not); trailers of any kind; mobile home; camper; or any other recreational or commercial transportation device of any kind.

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

36. Resident shall mean and refer to any person living or staying at the Project.

37. Residence shall mean a structure intended for use and occupancy as a single-family residence, together with all improvements located on or with respect to the Lot concerned which are used in connection with such Residence. The Residence shall include, without limitation, the roofs and all exterior surfaces, exterior trim, gutters, downspouts, structural members, and foundations.

ARTICLE II. - SUBMISSION

The real property described with particularity on Exhibit "A" attached hereto and incorporated herein by this reference is hereby submitted to the Act. The Project is hereby made subject to, and shall be governed by the Act, and the covenants, conditions and restrictions set forth herein. The Project is also subject to the right of the City to access the roads within the Project for emergency vehicles, service vehicles, and to all of the utility installations up to the residential meters. The Project shall be known as Starside Phase 1 - Parcel 9. The Project is not a cooperative and is not a condominium.

ARTICLE III. - COVENANTS, CONDITIONS, AND RESTRICTIONS

The foregoing submission is made upon, under and subject to the following covenants, conditions, and restrictions:

1. Description of Improvements. Phase 1 - Parcel 9 will consist of Lots with Residences and appurtenant improvements. The Common Area will include one pocket park. The location and configuration of the improvements referred to in the foregoing sentence are depicted on the Plat Map.

2. Description and Legal Status of the Project. The Plat Map shows each Lot, its location, and the Common Areas and facilities to which it has immediate access. All Lots shall be capable of being independently owned, encumbered and conveyed. Title to the Common Areas is hereby granted to and shall be owned by the Association for and in behalf of the Owners.

3. Membership in the Association. Since membership in the Association is mandatory, each Lot Owner is a member of the Association and membership may not be partitioned from the ownership of a Lot.

4. Record of Ownership. Every Owner shall promptly notify the Association of any change in ownership of a Lot by providing the conveyance information to the Secretary of the Association who shall maintain a record of ownership of the Lots. Any cost incurred by the Association in obtaining the information about an Owner as specified herein which is not furnished by such Owner shall nevertheless be at the expense of such Owner and shall be reimbursed to the Association as an Individual Assessment.

5. Allocation of Profits, Losses. Profits and losses shall be distributed among the Lot Owners equally.

6. Voting Rights. Owners shall be entitled to one vote per Lot owned unless otherwise disallowed in this Declaration or the Bylaws. When more than one person or entity holds such interest in a Lot, the vote for such Lot shall be exercised as those persons or entities themselves determine and advise the Secretary of the Association prior to any meeting. In the absence of such advice, the vote of the Lot shall be suspended in the event more than one person or entity seeks to exercise it.

7. Architectural and Design Guidelines. The Management Committee may adopt Design Guidelines for the Project. The approved Design Guidelines shall apply to all construction activities within the Project. The Committee shall have sole and full authority to change, amend, and supplement the Design Guidelines. The Association must stamp all proposed plans and specifications to construct or remodel a Building or Lot "approved and in compliance with the Declaration and Design Guidelines" before an Owner may present such plans and specifications to the City for the issuance of a building permit.

8. Ownership and Use Restrictions. Each Owner, of whatever kind, shall be entitled to the exclusive ownership and possession of his Lot and to membership in the Association as set forth herein, subject to the following use restrictions:

a) Nature and Restrictions on Ownership and Use in General. Each Owner shall have and enjoy the privileges of fee simple ownership of his Lot. There shall be no requirements concerning who may own a Lot, it being intended that they may and shall be owned as any other

property rights by persons. The Common Areas shall only be used in a manner consistent with the residential nature of the Project.

b) Mandatory Association. Each purchaser of a Lot, by virtue of accepting a deed or other document of conveyance thereto, shall automatically become a member of the Association.

9. Member's Easements and Rights of Way. Every Member of the Association shall as an Owner have the right and non-exclusive easement to use and enjoy the Common Areas. Such right and easement shall be appurtenant to and shall pass with the title to every Lot, subject to the following restrictions:

a) The right of the Association to limit the number of guests, and to adopt administrative rules and regulations from time to time governing the use and enjoyment of the Common Areas;

b) The right of the Association to suspend the voting rights and the privilege to use the recreational amenities by a member for: (a) any period during which his Assessment remains delinquent, and (b) a period not to exceed thirty (30) days after notice and hearing as may be set forth hereinafter for any infraction of the Association rules;

c) The right of the Association to charge a reasonable admission or other user fee for the use of any recreational facility situated upon the Common Area.

10. Rules and Regulations. The Association, acting through its Management Committee, shall have the power and authority to adopt administrative and/or house rules and regulations and, in its sole discretion, to impose reasonable user fees for the amenities. Such rules, regulations and use restrictions shall be binding upon all Owners and Residents, their guests and invitees.

11. Parties Bound. All provisions of the Project Documents shall be binding upon all Owners, Guests and Permittees.

12. Nuisance. It shall be the responsibility of each Owner to prevent the creation or maintenance of a nuisance in, on or about the Project. The Committee shall have the sole discretion to determine if a nuisance has been created. The term "nuisance" includes but is not limited to the following:

a) The development of any unclean, unhealthy, unsightly, or unkempt condition on, in or about his Lot or the Common Areas;

b) Maintaining any plants, animals, devices or items, instruments, equipment, machinery, fixtures, or things of any sort whose activities or existence in any way is illegal, noxious, dangerous, or of a nature as may diminish or destroy the enjoyment of the Project by other residents, their guests or invitees;

c) Unreasonable amounts of noise or traffic in, on or about any Lot or the Common Area, especially after 10:00 p.m. and before 7:00 a.m. during the week and midnight and 8:00 a.m. during weekends; and

d) Drug houses and drug dealing; the unlawful sale, manufacture, service, storage, distribution, dispensing or acquisition occurs of any controlled substance; criminal

activity; parties which occur frequently which bother, annoy or disturb other reasonable residents or interfere with their quiet and peaceful enjoyment of the premises; prostitution; or other activities deemed a nuisance under Utah law.

e) Normal construction activities shall not be considered to violate the terms and conditions of this subsection and by accepting a deed to a Lot, each Owner acknowledges that noises, lights and odors common to recreational activities, as well as construction activities, may exist on or near the Project, at any time and from time to time.

15. Removing Garbage, Dust and Debris. All rubbish, trash, refuse, waste dust, debris and garbage shall be deposited in sealed plastic bags or other authorized containers, shall be regularly removed from the Lot, not being allowed to accumulate therein so as to create a sanitation, health or safety hazard, and shall be disposed of within dumpsters provided by the Association. Garbage cans and other trash receptacles shall be stored so that they are screened from view from the street. Garbage cans and other trash receptacles shall only be placed on the street curb the night prior to garbage collection and shall be removed from view by the morning after garbage collection.

16. Subdivision of a Lot. No Lot may be subdivided.

17. No Severance. The elements of a Lot and other rights appurtenant to the ownership of a Lot, including interest in Common Areas are inseparable, and each Owner agrees that he shall not, while this Declaration is in effect, make any conveyance of less than an entire Lot and such appurtenances. Any conveyance made in contravention of this Subsection, including under any conveyance, encumbrance, judicial sale or other transfer (whether voluntary or involuntary) shall be void.

18. Firearms, Incendiary Devices and Graffiti. The use of firearms and incendiary devices, or the painting of graffiti, within the Project is prohibited. The term firearms includes but is not limited to all guns, pistols, handguns, rifles, automatic weapons, semi-automatic weapons, BB guns, pellet guns, sling shots, wrist-rockets, blow-dart guns, and other firearms of all types, regardless of size.

19. Temporary Structures. No Owner or occupant shall place upon any part of the Project any temporary structures, including but not limited to, storage, tents, trailers and sheds or their equivalent, without the prior written consent of the Management Committee; provided, however, tents may be allowed for up to forty-eight (48) hours by Lot owners in their Lot.

20. Trees, Shrubs and Bushes: Maintenance of Proper Sight Distance at Intersections. All property located at or near driveways, entrances, exits, walkways, paths and street intersections or corners shall be landscaped so as to remove any obstructions and to permit safe sight. No fence, wall, hedge, shrub, bush, tree or monument, real or artificial, shall be planted or placed by any Owner or occupant in, on or about the Common Areas without the prior written consent of the Management Committee.

21. Business Use. No Business Use and Trade may be conducted in or from any Lot unless: (a) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the residence; (b) the business activity conforms to all home occupation ordinances and zoning requirements for the Project (d) the business activity is

consistent with the residential character of the Project and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Project, as may be determined in the sole discretion of the Management Committee. Notwithstanding the above, the leasing of a residence shall not be considered a trade or business within the meaning of this sub-section.

22. Storage and Parking of Vehicles. The driving, parking, standing and storing of motor vehicles in, on or about the Project shall be subject to the following:

a) The parking rules and regulations adopted by the Management Committee from time to time;

b) The parking areas are not designed for Recreational, Commercial or Oversized Vehicles. Except during periods of active loading or unloading, Recreational, Commercial or Oversized Vehicles shall be stored in a way that they are screened from view of the street or stored outside the Project. Recreational Vehicles are limited to 48 hours of loading/unloading. The Management Committee has the right to make additional rules and regulations concerning the use and storage of Recreational, Commercial or Oversized Vehicles.

c) No motor vehicle or trailer may be parked or stationed in such a manner so as to create a potentially dangerous situation. Residents may not park their motor vehicles in red zones, fire lanes, guest or visitor parking, or other unauthorized areas.

23. Window Coverings, Awnings and Sun Shades. No-aluminum foil, newspapers, reflective film coatings, or any other similar materials may be used to cover the exterior windows of any residential structure on a Lot.

24. Pets. An Owner may keep within his/her respective residence: (i) common domesticated household animals (e.g., dogs, cats, birds or fish), or (ii) subject to prior Committee approval as provided herein, an "exotic animal". Any Owner desiring to keep an "exotic animal" within his/her residence shall make prior application to the Committee for permission to keep an exotic animal. An "exotic animal" shall mean the type of snake or reptile which can grow to a length longer than two (2) feet, any form of livestock, any type of spider, any animal which is poisonous or which would pose a risk of harm to any person or to a common domesticated household animal if such exotic animal escaped from its respective residence, or any other animal (other than a common domesticated household animal) which is designated by the Committee, as constituting as an exotic animal. Pets may not create a nuisance. The following acts of an animal may constitute a nuisance: (a) it causes damage to the property of anyone other than its owner; (b) it causes unreasonable fouling of the air by odors; (c) it causes unsanitary conditions; (d) it defecates on any common area and the feces are not immediately cleaned up by the responsible party; (e) it barks, whines or howls, or makes other disturbing noises in an excessive, continuous or untimely fashion; or (f) it molests or harasses passersby by lunging at them or chasing passing vehicles. Pets may not be tied or tethered in the Common Area.

25. Insurance. Nothing shall be done or kept in, on or about any Lot or in the Common Areas which may result in the cancellation of the insurance on the Project or an increase in the rate of the insurance on the Project, over what the Management Committee, but for such activity, would pay.

26. Laws. Nothing shall be done or kept in, on or about any Lot or Common Areas, or any part thereof, which would be a violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body.

27. Damage or Waste. No damage to, or waste of, the Common Areas shall be committed by any Owner or Resident, their guests or invitees; and each Owner and Resident shall indemnify and hold the Management Committee and the other Owners in the Project harmless against all loss resulting from any such damage or waste caused by that Owner or Resident, their guests or invitees.

28. View Impairment. The Association does not guarantee or represent that any view over and across any property, including any Lot or Building will be preserved without impairment. The Association shall not have the obligation to prune or thin trees or other landscaping except as set forth herein. Any express or implied easements for view purposes or for the passage of light and air are hereby expressly disclaimed.

29. Sheds. Sheds shall be constructed of materials similar to those used to construct the Residence and shall coordinate with the colors of the Residence. Vinyl, plastic, tin, or metal sheds are prohibited.

30. Holiday Lights/Decor/Signs/Flags. Holiday lights and holiday decorations may be displayed 30 days prior to the holiday and shall be removed, weather permitting, within 15 days after the holiday. An Owner may not display any signs or banners, except that an Owner may display a "for sale" or "for rent" sign during the period a Lot is being actively marketed. The "for sale" or "for rent" sign shall not exceed 30 inches by 30 inches. The American flag may be displayed in accordance with state and Federal law. No other flags shall be displayed unless part of holiday decor as described above.

31. Landscape Installation Timeline. Owner shall complete landscape installation within one year from the date of issuance of the certificate of occupancy for Owner's Lot.

32. Lot Drainage. Each Lot has an Established Drainage Pattern (EDP), which is the drainage pattern of the Lot at the time the certificate of occupancy was issued. Depending on the topography of each Lot, additional grading or improvements may have been performed to facilitate the drainage of the property and that of the surrounding lots. Each Owner shall ensure that all drainage improvements, facilities, or modifications put in place during original construction of their home are maintained, unaltered, and remain unobstructed to enable water flow consistent with the EDP. Additionally, each Owner shall ensure that no structure, plant, improvement or other material may be placed or permitted to remain, or other activity undertaken, which may: (a) Damage or interfere with the EDP or with established public utility easements or lot ratios; (b) Create erosion or sliding problems; (c) Change the direction or flow of drainage channels; or (d) Obstruct the flow of water through the channels.

If an Owner interferes with the EDP, the Owner shall restore the property to its original condition and pay for any damages, including attorney's fees, incurred by the Association to enforce this provision of the Declaration. The Owner shall also be liable for all damages to other Lots caused by the Owner's interference with the EDP, regardless of whether the Association takes action to enforce this damage clause.

33. Leases. Any agreement for the leasing, rental, or occupancy of a Lot (hereinafter in this Section referred to as a "lease") shall be in writing and a copy thereof shall be delivered to the Management Committee upon request. By virtue of taking possession of a Lot, each lessee agrees to be subject to and abide by the Project Documents, and that any covenant violation shall be deemed to constitute a default under the lease. Within ten (10) days after delivery of written notice of the creation of a nuisance or material violation of the Project Documents, the Owner shall proceed promptly to abate the nuisance or cure the default, and notify the Management Committee in writing of his intentions. Other than as stated in this Section, there is no restriction on the right of any Owner to lease or otherwise grant occupancy rights to a Lot.

34. Liability of Owners and Residents For Damages and Waste. Each Owner or Resident shall be liable to the Association, or other Owners or Residents, for damages to person or property and waste in the Project caused by his negligence.

35. Encroachments. If any portion of Common Area or a Lot encroaches or comes to encroach upon other Common Area, or a Lot as a result of construction, reconstruction, repair, shifting, settling, or movement, an easement for such encroachment is created hereby and shall exist so long as such encroachment exists.

36. Management Committee. The Association shall be managed by a Management Committee, also known as a board of directors.

37. Authority of Management Committee. The Association shall, in connection with its exercise of any of the powers delineated in subparagraphs (a) through (k) below, constitute a legal entity capable of dealing in its Committee name. The Management Committee shall have, and is hereby granted, the following authority and powers:

a) Grant Easements. The authority to grant or create, on such terms as it deems advisable, reasonable permits, licenses, and non-exclusive easements over, under, across, and through the Common Areas for utilities, roads, and other purposes reasonably necessary or useful for the proper maintenance, operation or regulation of the Project.

b) Execute Documents. The authority to execute and record, on behalf of all Owners, any amendment to the Declaration or Plat Map which has been approved by the vote or consent necessary to authorize such amendment.

c) Standing. The power to sue and be sued.

d) Enter into Contracts. The authority to enter into contracts which in any way concern the Project, so long as any vote or consent necessitated by the subject matter of the agreement has been obtained.

e) Transfer Interests in Real Property. The power and authority to exchange, convey or transfer any interest in real property, so long as it has been approved by at least sixty-seven (67%) of the Association Members.

f) Purchase Property. The power and authority to purchase, otherwise acquire, and accept title to, any interest in real property, so long as it has been approved by at least sixty-seven (67%) percent of the Association Members.

g) Borrow Money and Pledge Collateral. The power and authority to borrow money and pledge collateral so long as it has been approved by at least sixty-seven (67%) of the Association Members.

h) Promulgate Rules. The authority to promulgate such reasonable administrative guidelines, rules, regulations, policies and procedures as may be necessary or desirable to aid the Committee in carrying out any of its functions or to insure that the Project is maintained and used in a manner consistent with the Act and this Declaration.

i) Meetings. The authority to hold meetings pursuant to the terms of the Bylaws.

j) Delegation of Authority. The power and authority to delegate its responsibilities over the management and control of the Common Areas and regulation of the Project to a professional Manager, reserving the right, power and authority, however, to control and oversee the administration thereof.

k) All other Acts. The power and authority to perform any and all other acts, and to enter into any other transactions which may be reasonably necessary for the Management Committee to perform its functions on behalf of the Owners.

38. Delegation of Management Responsibilities: The Management Committee may delegate some of its management responsibilities to either a professional management company, an experienced on-site Manager, an independent contractor, through service contracts, or any combination thereof. The Manager may be an employee or an independent contractor. The termination provision of any such contract must not require a termination penalty or any advance notice of any more than sixty (60) days, and no such contract or agreement shall be for a term greater than one (1) year. The Management Committee may also employ general laborers, grounds crew, maintenance, bookkeeping, administrative and clerical personnel as necessary to perform its management responsibilities. Provided, however, any management contract may be terminated for cause on thirty (30) days notice in accordance with Title 38, Code of Federal Regulations, Section 36.4360a (f), as it may be amended from time to time.

39. Lists of Owners, Renters, Eligible Mortgagees, Insurers and Guarantors. The Management Committee shall maintain up to date lists of the name, address and phone number of all Owners and Eligible Mortgagees. Owners and Mortgagees have a duty to provide this information to the Committee.

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

a) Committee Discretion/Expenditure Limit. Any capital improvement to the Project which costs ten percent (10%) or less of the Total Annual Budget, and does not alter the nature of the Project, may be authorized by the Management Committee alone (the "Capital Improvement Ceiling").

b) Owner Approval/Expenditure Limit. Any capital improvement, the cost of which will exceed the Capital Improvement Ceiling, must, prior to the commencement of construction, be authorized by at least a majority vote of Owners.

c) Owner Approval/Changing the Nature of the Project. Any capital improvement which would materially alter the nature of the Common Area (e.g. adding a pool or

clubhouse) must, regardless of its cost and prior to being constructed or accomplished, be authorized by at least sixty-seven (67%) percent Owner vote. The expansion or changes to the existing playground equipment is not subject to this requirement.

41. Operation, Maintenance and Alterations. Each Lot, and Common Area shall be maintained, repaired, and replaced in accordance with the following covenants, conditions and restrictions:

a) Clean, Safe, and Sanitary Condition. The Lots, and Common Area shall be maintained in a usable, clean, functional, safe, sanitary, and good condition, consistent with Community Wide Standard.

b) Landscaping. All landscaping in the Project shall be maintained and cared for in good condition, as determined by the Management Committee in the Design Guidelines. All landscaping shall be maintained in a safe, sanitary, and orderly condition. Any weeds or diseased or dead lawn, trees, ground cover or shrubbery shall be removed and replaced. All lawn areas shall be neatly mowed and trees, shrubs and bushes shall be neatly trimmed. All landscaping shall be kept so as not to affect adversely the value or use of any other Lot, or to detract from the uniform design and appearance of the Project.

c) Area of Common Responsibility. Unless otherwise expressly noted, the Association shall maintain, repair and replace all of the Common Areas within or serving the Project.

d) Area of Personal Responsibility. Each Owner shall maintain, repair and replace his Lot and Residence, individual services such as power, light, gas, hot and cold water, heating, refrigeration, air conditioning, fixtures, windows and window systems, glass, doors and door systems, garage doors and garage door systems, patios, balconies and decks, plumbing fixtures, systems and lateral pipes or valves servicing only his Lot, including any damage caused thereby and not covered by insurance. All such maintenance, repairs and replacements are subject to the approval of the Management Committee as to construction materials, quality of construction and installation. No Lot Owner shall allow his Lot, to detract from the health, safety or design of the Project.

e) Default Provisions. If (except in the case of an emergency) after written notice and a hearing, it is determined that any responsible party has failed or refused to discharge properly his obligation with regard to the maintenance, repair, or replacement of the real property and improvements described herein, or that the need for maintenance, repair, or replacement thereof is caused through the willful or negligent act of any person, then the Association, or Management Committee may, but is not obligated to, provide such maintenance, repair, or replacement at the defaulting or responsible party's sole cost and expense (the "Default Maintenance Cost"). The term "emergency" as used here means a situation or condition in which there is a threat of imminent and substantial harm to person or property. The Default Maintenance Cost is the debt of such defaulting or responsible party at the time the expense is paid and shall be collectible as an Individual Assessment.

f) Alterations to the Common Area. No Owner or Permittee may make any alterations to the Common Area, without the express prior written consent of the Management Committee.

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

42. Common Expenses. Each Owner shall pay his Assessments subject to and in accordance with the procedures set forth below.

a) Purpose of Common Area Expenses. The Assessments provided for herein shall be used for the general purpose of operating the Project, promoting the recreation, health, safety, welfare, common benefit and enjoyment of the Owners and residents, including the maintenance of any real and personal property owned by the Association, and regulating the Project.

b) Creation of Assessments. Each Owner, by acceptance of a deed to a Lot, whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Association in a timely manner all Assessments assessed by the Management Committee.

c) Budget. A draft budget may be delivered with the annual meeting notice or at the annual meeting. The Management Committee shall prepare a proposed Budget which:

i. Itemization. Shall set forth an itemization of the anticipated Common Expenses for the twelve (12) month calendar year, commencing with the following January 1.

ii. Basis. Shall be based upon advance estimates of cash requirements by the Management Committee to provide for the payment of all estimated expenses growing out of or connected with the maintenance and operation of the Common Areas and regulation of the Association.

d) Apportionment. The common profits, losses and voting rights of the Project shall be distributed among and the common expenses shall be charged equally to the Lot Owners.

e) Approval of Budget and Assessments. The proposed Budget and the Assessments shall become effective unless disapproved at the annual meeting by a vote of at least a majority of the total Owner votes of the entire Association. Notwithstanding the foregoing, however, if the membership disapproves the proposed budget and Assessments, or the Management Committee fails for any reason to establish the Budget and Assessments for the succeeding year, then and until such time as a new budget and new Assessment schedule shall have been established, the Budget and the Assessments in affect for the then current year shall continue for the succeeding year.

f) Payment of Assessments. Assessments shall be paid in equal monthly installments.

g) Additional Services. The Management Committee may but is not obligated to add to the Assessment of any particular Lot or Lot Owner additional charges for individual services offered or provided, that are not a Common Expense, but only if such expenses are consented to by the Lot Owner.

h) Personal Obligation of Owner. Owners are liable to pay all Assessments assessed and Additional Charges; provided, however, no first mortgagee or beneficiary under a

first deed of trust (but not the Seller under a uniform real estate contract, land sales contract, or other similar instrument), who obtains title to a Lot pursuant to the remedies provided in the mortgage or trust deed shall be liable for unpaid Assessments which accrued prior to the acquisition of title. For purposes of this Section, the term "Owner" shall mean and refer jointly and severally to: (1) the Owner of both the legal and equitable interest in any Lot; (2) the owner of record in the offices of the County Recorder; and (3) both the Buyer and Seller under any executory sales contract or other similar instrument.

i) Dates and Manner of Payments. The dates and manner of payment shall be determined by the Committee.

j) Reserve Account. The Committee shall establish and maintain a reserve account or accounts to pay for unexpected operating expenses, major Repairs, and Capital Improvements.

k) Analysis Report. The Management Committee shall have prepared and updated a written Capital Asset Replacement and Reserve Account Analysis, as often as required by Utah law, and shall make such report available to the Owners upon request.

l) Acceleration. The Management Committee may but is not obligated to accelerate the entire annual Assessment of a delinquent Owner who has not cured his default within thirty (30) days after written notice.

m) Statement of Assessments Due. Upon written request, the Committee shall furnish to any Owner a statement of Assessments due, if any, on his Lot. Failure to provide the certificate within ten (10) days after a written request is received by the Secretary, shall be deemed conclusive evidence that all Assessments are paid current. The Association may require the advance payment of a processing charge not to exceed the amount allowable under Utah Statute for the issuance of such certificate.

n) Superiority of Assessments. All Assessments and liens created to secure the obligation to pay Assessments are superior to any homestead exemptions to which an Owner may be entitled which insofar as it adversely affects the Association's lien for unpaid Assessments and each Owner, by accepting a deed or other document of conveyance to a Lot, waives his right to claim his homestead exemption has priority.

o) Suspension of Right to Vote for Non-Payment. At the discretion of the Committee, the right of an Owner to vote on issues concerning the Association may be suspended for up to ninety (90) days if the Owner is delinquent in the payment of his Assessments, and has failed to cure or make satisfactory arrangements to cure the default after reasonable notice of at least ten (10) days.

43. Special Assessments. In addition to the other Assessments authorized herein, the Association may levy special assessments in any year, subject to the following:

a) Committee Based Assessment. So long as the special assessment does not exceed the sum of Five Hundred and 00/100th Dollars (\$500.00) per Lot in any one fiscal year (the "Special Assessment Limit"), the Committee may impose the special assessment without any additional approval.

b) **Association Approval.** Any special assessment which would exceed the Special Assessment Limit shall be effective only if approved by a majority of a quorum of the members of the Association. The Committee in its discretion may allow any special assessment to be paid in installments.

44. **Benefit Assessments.** If an Owner has the choice to accept or reject the benefit, then the Management Committee shall have the power and authority to assess an Owner in a particular area as follows:

a) **Benefit only To Specific Lot.** If the expense benefits less than all of the Lots, then those Lots benefitted may be specifically assessed, and the specific assessment shall be equitably apportioned among those Lots according to the benefit received.

b) **Unequal or Disproportionate Benefit.** If the expense benefits all Lots, but does not provide an equal benefit to all Lots, then all Lots shall be specifically assessed, but the specific assessment shall be equitably apportioned among all Lots according to the benefit received.

Failure of the Committee to exercise its authority under this Section shall not be grounds for any action against the Association or the Committee and shall not constitute a waiver of the Committee's right to exercise its authority under this Section in the future with respect to any expenses, including an expense for which the Committee has not previously exercised its authority under this Section.

45. **Individual Assessments.** Individual Assessments may be levied by the Management Committee against a Lot and its Owner and shall be due not earlier than thirty (30) days after written notice.

46. **Reinvestment Fee Covenant.** The Committee shall have the right (but shall not be required) to establish a Reinvestment Fee assessment in accordance with this Section and Utah Code § 57-1-46. If established, the following terms and conditions shall govern Reinvestment Fees:

a) Upon the occurrence of any sale, transfer, or conveyance of any Lot as reflected in the office of the County recorder, regardless of whether it is pursuant to the sale of the Lot or not (as applicable, a "Transfer"), the party receiving title to the Lot (the "Transferee") shall pay to the Association a Reinvestment Fee in an amount to be established by the Committee in the Rules, provided that in no event shall the Reinvestment Fee exceed the maximum rate permitted by law.

b) The Association shall not levy or collect a Reinvestment Fee for any Transfer exempted by Utah Code § 57-1-46.

c) The Reinvestment Fee shall be due and payable by the Transferee to the Association at the time of the Transfer giving rise to the payment of such Reinvestment Fee and shall be treated as an Individual Assessment for collection purposes.

47. **Collection of Assessments.** The Owners must pay their Assessments in a timely manner. Payments are due in advance on the first of the month. Payments are late if received after the 10th day of the month in which they were due.

- a) Delinquent Assessments. Any Assessment not paid when due shall be deemed delinquent and a lien securing the obligation shall automatically attach to the Lot, regardless of whether a written notice is recorded.
- b) Late Fees. A late fee of \$10 shall be assessed on all late payments. A payment received by the Management Committee ten (10) days or more after its due date shall be considered late for purposes of this subsection.
- c) Default Interest. Default interest at the rate eighteen percent (18%) per annum shall accrue on all delinquent accounts.
- d) Lien. If any Lot Owner fails or refuses to make any payment of any Assessment or his portion of the Common Expenses when due, that amount shall constitute a lien on the interest of the Owner in the Project, and upon the recording of notice of lien by the Manager, Management Committee or their designee it is a lien upon the Owner's interest in the Project prior to all other liens and encumbrances, recorded or unrecorded, except: (1) tax and special assessment liens on the Lot in favor of any assessing Lot or special improvement district; and (2) encumbrances on the interest of the Owner recorded prior to the date such notice is recorded which by law would be a lien prior to subsequently recorded encumbrances.
- e) Foreclosure of Lien and/or Collection Action. If the Assessments remain unpaid, the Association may, as determined by the Committee, institute suit to collect the amounts due and/or to foreclose the lien.
- f) Personal Obligation. Each Owner, by acceptance of a deed or as a party to any other type of conveyance, vests in the Association or its agents the right and power to bring all actions against him or her personally for the collection of the charges as a debt or to foreclose the lien in the same manner as mechanics liens, mortgages, trust deeds or encumbrances may be foreclosed.
- g) No Waiver. No Owner may waive or otherwise exempt himself or herself from liability for the Assessments provided for herein, including but not limited to the non-use of Common Areas or the abandonment of his Lot.
- h) Duty to Pay Independent. No reduction or abatement of Assessments shall be claimed or allowed by reason of any alleged failure of the Association or Committee to take some action or perform some function required to be taken or performed by the Association or committee under this Declaration or the Bylaws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority, the obligation to pay Assessments being a separate and independent covenant on the part of each Owner.
- i) Application of Payments. All payments shall be applied as follows: Additional Charges, Delinquent Assessments and Current Assessments.
- j) Foreclosure of Lien as Mortgage or Trust Deed. The lien for nonpayment of Assessments may be enforced by sale or foreclosure of the Owner's interest therein by the Committee. The sale or foreclosure shall be conducted in the same manner as foreclosures in deeds of trust or mortgages or in any other manner permitted by law. In any foreclosure or sale, the Owner shall pay the costs and expenses of such proceedings, including but not limited to the cost

of a foreclosure report, reasonable attorney's fees, and a reasonable rental for the Lot during the pendency of the foreclosure action. The Association in the foreclosure action may require the appointment of a receiver to collect the rental without regard to the value of the mortgage security. The Committee may bid for the Lot at foreclosure or other sale and hold, lease, mortgage, or convey the same.

k) Appointment of Trustee. If the Committee elects to foreclose the lien in the same manner as foreclosures in deeds of trust, then the Owner by accepting a deed to the Lot hereby irrevocably appoints the attorney of the Association, provided s/he is a member of the Utah State Bar, as Trustee, and hereby confers upon said Trustee the power of sale set forth with particularity in Utah Code, Section 57-1-23, as amended. In addition, Owner hereby transfers in trust to said Trustee all of his right, title and interest in and to the real property for the purpose of securing his performance of the obligations set forth herein.

l) Attorney in Fact. Each Owner, by accepting a deed to a Lot hereby irrevocably appoints the Association as his attorney in fact to collect rent from any person renting his Lot, if the Lot is rented and Owner is delinquent in his Assessments. Rent due shall be paid directly to the Association, upon written demand, until such time as the Owner's Assessments are current; and the Owner shall credit the Renter, against rent due, for the amount of money paid to the Association.

m) Lenders, Foreclosures and Unpaid Assessments. Anything to the contrary notwithstanding, any first mortgagee who obtains title to a Lot pursuant to the remedies in the mortgage or trust deed or through foreclosure will not be liable for more than six (6) months of the unpaid regularly budgeted assessments, dues or charges accrued before acquisition of the title to the property by the mortgage, although the first mortgagee will also be liable for any reasonable attorneys fees or costs related to the collection of the unpaid dues. All other grantees who obtain title to a Lot in a voluntary conveyance or pursuant to the remedies in a mortgage or trust deed or through foreclosure shall be jointly and severally liable with the trustor or mortgagor for all unpaid assessments, late fees, default interest and collection costs, including a reasonable attorneys fee, against the Lot for its share of the Common Expenses up to the time of the grant or conveyance, without prejudice to the grantee's rights to recover from the trustor or mortgagor the amounts paid by the grantee.

n) Assignment of Rents. If the owner of a Lot who is leasing the Lot fails to pay any assessment for a period of more than 30 days after it is due and payable, the Management Committee may demand the tenant to pay to the association all future lease payments due the owner, commencing with the next monthly or other periodic payment, until the amount due to the association is paid. Payment by the tenant to the association in compliance herewith will not constitute a default under the terms of the lease agreement. The Manager or Management Committee shall notify the Owner of its intent to collect rents and shall notify the Owner and Tenant when the account is current.

48. Liability of Management Committee. The Association shall indemnify every officer and member of the Management Committee against any and all expenses, including but not limited to attorney's fees reasonably incurred by or imposed upon any officer or member of the Management Committee in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Management Committee) to which he or she may be a party by reason of being or having been an officer or member of the

Management Committee. The officers and members of the Management Committee shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct or bad faith. The officers and members of the Management Committee shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or members of the Management Committee may also be Members of the Association), and the Association shall indemnify and forever hold each such officer and member of the Management Committee free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall be exclusive of any other rights to which any officer or member of the Management Committee, or former officer or member of the Management Committee, may be entitled. The Association shall, as a common expense, maintain adequate general liability and officer's and director's insurance coverage to fund this obligation, if such insurance is reasonably available.

49. Insurance. The Management Committee may adopt General Insurance House Rules, Policies and Procedures intended as a guide for owners and residents in order to maintain the insurability of the project, keep the insurance premium reasonable, and enforce the maintenance responsibilities of the individual owners. The Association shall obtain the following insurance coverage (the "Association Master Policy"): (a) public liability for the Common Areas; (b) property, fire and extended hazard for all Common Areas; and (c) directors and officers.

a) Insurance Company. The HOA shall use a responsible insurance company or companies duly qualified and licensed in the State of Utah.

b) Minimum Amount of Insurance Coverage. The limits of each liability insurance policy purchased for the Association shall be in an amount not less than \$2,000,000.00 per occurrence and \$1,000,000.00 per person for bodily injury, death, and property damage. This amount may be increased or decreased by the Management Committee upon a written recommendation for its insurance agent without amending the Declaration.

c) Miscellaneous.

1) Coverage for Common Areas. If the Management Committee has arranged for liability, property, directors and officers insurance or a fidelity bond to cover against loss or damage by fire and other hazards for the Association, and all Common Areas, then the premium is to be a Common Expense.

2) Lot Owner Obligation. This obligation and right of the HOA to purchase insurance coverage as set forth herein does not preclude the right or negate the obligation of each Owner to fully insure his own Lot and Residence for his benefit. Each Owner is responsible to obtain property and liability insurance for his Lot and Residence. If an Owner operates any type of business in the Project, then the Owner shall obtain and keep in full force and effect at all times the required insurance coverage provided by companies duly authorized to do business in Utah. The provisions of this subsection shall not be construed to limit the power or authority of the Owner to obtain and maintain insurance coverage in addition to any insurance coverage required hereunder, in such amounts and in such forms as he may deem appropriate.

3) **Lot Owner Personal Property.** The Association's insurance policy DOES NOT cover personal property of the Lot Owner or renter such as automobiles, furniture, appliances, paintings, pictures, wall hangings, and clothing or personal liability.

4) **Lot Owner Hazard Coverage.** The Association's insurance policy DOES NOT provide hazard or liability coverage for Lots on which detached Residences are located.

5) **Renters Obligation.** Renters and Owners should insure their personal property, belongings and effects, and leasehold interests.

6) **Insurance of Contents.** The insurance to cover contents and personal property is the responsibility of the individual Lot Owner or renter.

7) **Authority of Association.** The Association has the right, power and authority to adjust claims.

8) **Use of Insurance Proceeds and Repairs.** Repair of damage shall be completed within a reasonable time, and insurance proceeds shall be used to repair the covered damage.

9) **Waiver of Subrogation against Owners and Association.** All property and CGL policies must contain a waiver of subrogation by the insurer as to any claims against the Association and the Owners and their respective agents and employees.

10) **Applicable Law.** This Declaration is specifically subjecting the Association to the insurance requirements and provisions in Part 4 of the Community Association Act, and any amendments thereto and thereafter enacted by law. It is the intent of this provision that any future changes to the insurance law applicable to community associations shall apply to this Association.

50. **Destruction, Condemnation, and Obsolescence.** If the state or a municipality, private person, corporation or other legal entity authorized to exercise functions of public character exercises its power of eminent domain to acquire private property for public use by condemnation, it shall do so in accordance with Utah law and in return for just compensation. For use herein the term "condemnation" shall mean the process of taking private property, without the consent of the owner, for public use through the power of eminent domain.

51. **Consent in Lieu of Vote.** In any case in which this Declaration requires the vote of an Owner for authorization or approval of an act or a transaction, such requirement may be fully satisfied by obtaining, with or without a meeting, consents in writing to such transaction from Owners who collectively hold the required votes. The Association may obtain Owner consent through ballot, written consent, or otherwise. The Association may also use any other method permitted for actions without a meeting in accordance with the requirements of Utah Code § 16-6a-707 or § 16-6a-709 and any other applicable section of the Acts. Any action so approved shall have the same effect as though taken at an Owner meeting. Ballots or written consents may be obtained via any electronic or physical means including but not limited to email, facsimile, text, or paper document. It is intended that this Section shall be construed broadly to permit maximum flexibility in voting methods.

52. **Mortgagee Protection.** Nothing herein contained, and no violation of these covenants, conditions and restrictions, shall invalidate or impair the lien of any mortgage or deed of trust, given in good faith and for value. Mortgagees are excluded from any leasing or rental

restrictions when obtaining or after obtaining a Lot in foreclosure. The lien or claim against a Lot for unpaid Assessments levied by the Management Committee or by the Association pursuant to this Declaration shall be subordinate to any Mortgage recorded on or before the date a Notice of Homeowners Association Lien is recorded. In addition:

a) Effects of Voluntary and Involuntary Sale. The lien or claim against a Lot for such unpaid Assessments shall not be affected by any sale or transfer of such Lot, except that a sale or transfer pursuant to a foreclosure of the Mortgage affecting such Lot or the exercise of a power of sale available there under shall extinguish any debt payable prior to such sale or transfer. Nevertheless, any such unpaid Assessments which are extinguished in accordance with the foreclosure or power of sale shall not relieve the purchaser or transferee of such Lot from liability for, nor such Lot the lien of any Assessments becoming due thereafter.

b) Books and Records Available for Inspection. The Committee or the Association shall make available to the Owners, to Mortgagees, and lenders, and to holders, insurers, or guarantors of any Mortgage current copies of the Declaration, Bylaws, and administrative rules and regulations concerning the Project, as well as the books, records, and financial statements of the Committee and the Association. The term "Available," as used in the Paragraph, shall mean available for reasonable inspection (electronically or in person) upon request during normal business hours or under other reasonable circumstances. The Association shall have the right to recover its photocopying and service charges incurred in making the inspection and photocopying available.

c) Right to Financial Statement. The holder, insurer or guarantor of any Mortgage shall be entitled, upon written request, to a financial statement for the immediately preceding fiscal year. Any financial statement requested pursuant hereto shall be furnished to the requesting party within a reasonable time following such request.

d) Management Contracts. Any agreement for professional management of the Project, and any contract for goods or services, or any lease which is entered into by the Management Committee shall provide, or be deemed to provide hereby, that:

- 1) Either party may terminate the contract with cause upon at least thirty (30) days prior written notice to the other party; and
- 2) No contract may be for an initial term greater than one (1) year.

e) Eligible Mortgagee Designation. Upon written request to the Committee or the Association by the holder of a Mortgage (which request identifies the name and address of such holder and the Lot number or address of the property encumbered by the Mortgage), such holder shall be deemed thereafter to be an "Eligible Mortgagee", shall be included on the appropriate lists maintained by the Association, and shall be entitled to timely written notice of any of the following:

- 1) Condemnation Loss or Award. Any condemnation loss or any casualty loss which affects a material portion of the Project or any Lot on which there is a Mortgage held, insured, or guaranteed by such Eligible Mortgagee.
- 2) Delinquency. Any delinquency in the payment of Assessments owed by an Owner of a Lot subject to a Mortgage held, insured or guaranteed by such Eligible Mortgagee, which delinquency remains uncured for a period of sixty days.

3) Lapse of Insurance. Any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Committee or the Association.

4) Consent Required. Any proposed action which would require the consent of a specified percentage of Eligible Mortgagees.

f) Approval of Proposed Action or Transaction. Any Mortgagee who receives, by certified or registered mail, a written request, with a return receipt requested, to approve any act, transaction, or amendment to the Declaration, and who does not return a negative response within thirty (30) days shall be deemed to have approved such request.

53. Amendment. This Declaration may be amended through the affirmative vote or consent of at least sixty-seven percent (67%) of the total votes in the Association. Votes may be cast either in person or by proxy at a meeting duly called for such purpose, or may otherwise be obtained by written consent, ballot, or online voting without a meeting. An amendment shall be effective when executed by the President of the Association, who shall certify that all of the voting requirements have been satisfied, and recorded in the office of the County Recorder.

54. Necessary Amendments. The Association may unilaterally amend this Declaration without Owner vote if such amendment is necessary: (a) to bring any provision into compliance with any applicable governmental statute, rule, regulation, or judicial determination; (b) to satisfy the requirements of any local, State, or Federal governmental agency; or (c) to correct any scrivener's error.

55. Due Process Requirements; Notice of Hearing; Opportunity to be Heard. In the event of a claimed violation of the Project Documents or the Act, no citation or suspension shall be imposed without the Management Committee first giving the alleged violator written notice of the violation and an opportunity to be heard by the Management Committee.

56. Separate Taxation. Each Lot shall be considered to be a parcel and shall be subject to separate assessment and taxation by each assessing Lot and special district for all types of taxes authorized by law, including ad valorem levies and special assessments.

57. Interpretation. To the extent Utah law is consistent with this Declaration, such provisions shall supplement the terms hereof and are incorporated herein. 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, the whole shall include any part thereof, 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.

58. 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 Association, all other signatories hereto, all parties who hereafter acquire any interest in a Lot or in the Project, and their respective grantees, transferees, heirs, devisees, personal representative, successors, and assigns. Each Owner or occupant of a Lot shall comply with, and all interests in all Lots shall be subject to, the terms of this Declaration and the provisions of any rules, regulations, agreements, instruments, supplements, amendments, and determinations contemplated by this Declaration. By acquiring any

interest in a Lot in the Project, the party acquiring such interest consents to, and agrees to be bound by, each and every provision of this Declaration.

59. Enforcement and Right to Recover Attorney's Fees. If the Association utilizes legal counsel to enforce any restriction in the Project Documents, or after an Owner communicates or demonstrates an intent not to comply with a restriction, the Association may assess all reasonable attorney fees and costs associated with such enforcement to the Owner as an Individual Assessment, regardless of whether a lawsuit is initiated or not. The term "costs" as used in this Section shall include all costs including but not limited to copying costs, deposition costs, expert witness fees, investigative costs, service costs, and filing fees paid to courts. "Costs" is specifically defined in this Section to be broader and to include costs that are not included in costs as the term is used in the Utah Rules of Civil Procedure.

60. Agent for Service of Process. The President of the Association is the person to receive service of process in the cases authorized by the Act and the office.

61. Fines. Each Owner and Resident is responsible for adhering to the Project Documents governing the Project. A breach of these restrictive covenants and rules is subject to enforcement pursuant to the declaration and may include the imposition of a fine. Each Owner is also accountable and responsible for the behavior of his residents, tenants and/or guests, including their fines. Before assessing a fine, the Management Committee shall give notice of the violation to the Owner and inform him that the fine will be imposed if the violation is not cured within a time certain, not less than forty-eight (48) hours.

62. Security. The Association shall not in any way be considered insurers or guarantors of security within the Project. The Association shall not be held liable for any loss or damage, including malfunction, by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. All Owners, Guests, and Permittees acknowledge that neither the Association, Management Committee, Manager, employees, agents or representatives represent or warrant that any fire protection system or burglar alarm system designated by or installed in the Project may not be compromised or circumvented, that any fire protection or burglar alarm systems will prevent loss by fire, smoke, burglary, theft, hold-up, or otherwise nor that the gate, fire protection or burglar alarm systems will in all cases provide the detection or protection for which the system is designed or intended. Each Owner for himself and his Guests and Permittees acknowledges and understands that the Association, Management Committee, Manager, employees, agents or representatives are not insurers and that each Owner and his Guests and Permittees assume all risks for loss or damage to persons or property within the Project and further acknowledges that the Association, Management Committee, Manager, employees, agents or representatives have made no representations or warranties nor has any Owner or his Guests or Permittees relied upon any representations or warranties, expressed or implied, including any warranty of merchantability or fitness for any particular purpose, relative to any fire and/or burglar alarm systems recommended or installed or any security measures undertaken within the Project.

63. Fair Housing Accommodations. Notwithstanding anything to the contrary in this Declaration, the Association, upon receipt of a written opinion from its counsel that such action is required, may make or permit reasonable accommodations or modifications to the Project that are otherwise prohibited by the Governing Documents, as required under State or Federal Fair Housing Acts, to accommodate a Person with a disability (as defined by State or Federal law at the time the accommodation is requested). Reasonable accommodations or modifications may

include modifications to a Lot, the Common Area facilities and buildings, or deviations from provision of the Governing Documents. Any such modification and accommodation made under this Section shall not act as a waiver of the provisions of the Governing Documents with regard to any other Person or Owner.

64. No Waiver. Failure by the Association or by any Owner to enforce any restriction or provision herein contained, or contained in the Bylaws or the Rules, in any certain instance or on any particular occasion shall not be deemed a waiver of such right of enforcement as to any such future breach of the same or any other Restriction or provision.

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

IN WITNESS WHEREOF, the Management Committee has executed this Amended and Restated Declaration of Covenants, Conditions and Restrictions for Starside Phase 1 - Parcel 9 and certifies that all necessary votes have been obtained, this 22 day of December, 2020.

STARSIDE PHASE 1 - PARCEL 9
HOMEOWNERS ASSOCIATION, INC.
a Utah nonprofit corporation

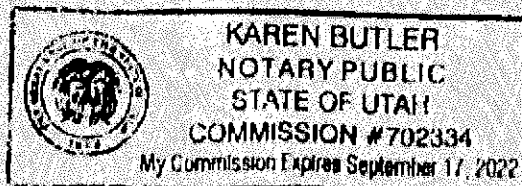
By: Taylor Ricks
Name: Taylor Ricks

Its: President

STATE OF UTAH)
COUNTY OF Tooele) ss.

On the 22 day of December, 2020, personally appeared before me Taylor Ricks who by me being duly sworn, did say that she/he is the President of the Starside Phase 1 - Parcel 9 Homeowners Association, and that the foregoing instrument is signed on behalf of said company and executed with all necessary authority.

Notary Public: Karen Butler



**STARSIDE PHASE 1 - PARCEL 9
HOMEOWNERS ASSOCIATION, INC.**
a Utah nonprofit corporation

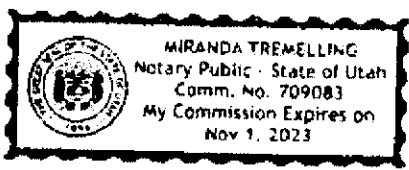
By: [Signature]

Name: LANCE LAMBERT

Its: Secretary

STATE OF UTAH)
COUNTY OF Taopele) ss.

On the 23 day of December, 2020, personally appeared before me
Lance Lambert who by me being duly sworn, did say that she/he is the Secretary of
the Starside Phase 1 - Parcel 9 Homeowners Association, and that the foregoing instrument is
signed on behalf of said company and executed with all necessary authority.



Notary Public: [Signature]

EXHIBIT "A"
LEGAL DESCRIPTION

STARSIDE PHASE 1 – PARCEL 9, according to the official plat on file in the office of the Tooele County Recorder as Entry Number 269932.

Parcel Numbers: **16-018-0-0101** through **16-018-0-0140** and **16-018-0-000A**

STARSIDE PHASE 2 – PARCEL 9, according to the official plat on file in the office of the Tooele County Recorder as Entry Number 283256.

Parcel Numbers: **16-040-0-0201** through **16-040-0-0236** and excluding therefrom Parcel Number **16-040-0-0237**.

STARSIDE SUBDIVISION PHASE 3, according to the official plat on file in the office of the Tooele County Recorder as Entry Number 390497.

Parcel Numbers: **18-056-0-0301** through **18-056-0-0374**

EXHIBIT "B"

BYLAWS FOR STARSLIDE PHASE 1 - PARCEL 9 HOMEOWNERS ASSOCIATION

ARTICLE I REGISTERED AGENT AND OFFICE

1. Office and Registered Agent. The Registered Agent shall be the President of the Association and the Registered Office shall be the home of the President or such other place as shall be designated by him.

ARTICLE II ASSOCIATION

1. Composition. The association of Lot Owners is a mandatory, association consisting of all Owners.

2. Place of Meeting. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place as may be designated by the Management Committee from time to time and stated in the notice of meeting. In addition, the Association may hold and conduct Owner meetings through any type of electronic means that allows Owners to communicate orally in real time including telephone and video conferencing.

3. Notice of Meeting. It shall be the duty of the Secretary to hand deliver or mail to each owner at his last known address, by regular U.S. mail postage prepaid, a notice of (a) each annual meeting of the Association not less than ten (10) and not more than sixty (60) days in advance of such meeting. The notice shall state the purpose, day, date, time and place of the meetings. The mailing of a notice of meeting in the manner provided in this Section shall be considered service of notice.

4. Qualified Voters. An Owner shall be deemed to be in "good standing" and "entitled to vote" at any meeting of the Association if he is in full compliance with all of the terms, covenants, and conditions of the Project Documents, and shall have fully paid his share of the Common Expenses and all Assessments and/or Additional Charges due.

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

6. Quorum Voting. Any number of Owners present, either in person or by proxy, shall

constitute a quorum for purposes of elections. In all other matters, fifty-one (51.0%) percent of the members of the Association shall constitute a quorum. If however, such quorum shall not be present or represented at any meeting, the Owners entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting and reschedule for a time no earlier than two days after the set time for the original meeting. No notice of such rescheduled meeting shall be required except an oral announcement at the meeting to be rescheduled. Those Owners present, either in person or by proxy, at the rescheduled meeting shall constitute a quorum for the adoption of decisions. When a quorum is present at any meeting, the vote of the Owners representing a majority of the members of the Association in person or by proxy, shall decide any question brought before the meeting. If the Declaration requires a fixed percentage of Owners to approve any action, however, that percentage shall be required anything to the contrary notwithstanding.

7. Order of Business. The order of business at all meetings of the Association shall be as follows:

- a) Reading of minutes of preceding meeting;
- b) Reports of officers; if any
- c) Election of Management Committee Members, if applicable;
- d) Report on finances;
- e) Open forum for comments;

The Committee may modify or supplement this list as it deems necessary.

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

9. Action May Be Taken Without A Meeting. Owners have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of Owners through ballot, written consent, or otherwise. The Association may also use any other method permitted for actions without a meeting in accordance with the requirements of Utah Code § 16-6a-707 or § 16-6a-709 and any other applicable section of the Acts. Any action so approved shall have the same effect as though taken at an Owner meeting. Ballots or written consents may be obtained via any electronic or physical means including but not limited to email, facsimile, text, or paper document. It is intended that this Section shall be construed broadly to permit maximum flexibility in voting methods.

ARTICLE III MANAGEMENT COMMITTEE

1. Powers and Duties. The affairs and business of the Association shall be managed by the Management Committee consisting of three (3) or five (5) Lot Owners. The Management Committee shall have all of the powers and duties necessary for the administration of the affairs of the Association in accordance with the provisions of the Declaration and may do all such acts and things necessary to operate and maintain the Project. The Committee shall have the power from time to time to adopt any Rules and Regulations deemed proper for the exercise of its management powers. The Committee may delegate its authority to a Manager or Managers. Subject to any limitations or provisions contained in the Declaration, the Committee shall be responsible for assuring the completion of at least the following:

- a) Preparing annual budget;
- b) Allocating Common Expenses;
- c) Maintaining the Common Areas.
- d) Collecting Assessments. ·
- e) Adopting, amending, and enforcing the Rules and Regulations.
- f) Enforcing by legal means the Project Documents.
- g) Obtaining insurance.
- h) Keeping books and records.
- i) Doing such other things and acts necessary to accomplish the foregoing and not inconsistent with the Declaration or Bylaws, or to do anything required by a proper resolution of the Management Committee or Association.

2. Composition of Management Committee. The Management Committee shall be composed of three (3) or five (5) members as determined by the then active Management Committee prior to the annual meeting where elections are to take place.

3. Election and Term of Office of the Committee. The term of office of membership on the Management Committee shall be two (2) years. At the expiration of the member's term, a successor shall be elected. Owners may serve consecutive terms if reelected.

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

5. Regular Meetings. Regular meetings of the Management Committee shall be held from time to time and at such time and place as shall be determined by a majority of the members of the Committee, but no less often than annually.

6. Special Meetings. Special meetings of the Management Committee may be called by the President, Vice President or a majority of the members on at least forty-eight (48) hours prior notice to each member and those Owners who have requested notice of Committee meetings. Such notice shall be given personally, by email, regular U.S. Mail postage prepaid, or by telephone, and such notice shall state the time, place and purpose of the meeting. Any meeting attended by all members of the Committee shall be valid for any and all purposes.

7. Owner Attendance. Any Owner may request notice of Committee meetings by requesting such notice from a Committee Member and providing a valid email address at which the Owner will receive notice. Owners who have requested notice of Committee meetings shall be given notice along with the Committee Members and shall be provided any call-in number or other means of attendance by electronic communication that is provided to Committee Members. If Owners attend a Committee meeting, the Committee may select a specific period of time during the meeting and limit Owner comments to such time period. The Committee in its sole discretion may set a reasonable length of time that each Owner may speak.

8. Open Meetings. Except as provided below in (a) through (f), Committee meetings shall be open to Owners. The Committee may hold a closed executive session during a meeting of the Committee if the purpose of the closed executive session is to:

- a) Consult with legal counsel to obtain legal advice and discuss legal matters;

- b) Discuss existing or potential litigation, mediation, arbitration, or an administrative proceeding;
- c) Discuss a labor or personnel matter;
- d) Discuss a matter relating to the initial contract negotiations, including the review of a bid or proposal;
- e) Discuss a matter involving a Person, if the Committee determines that public knowledge of the matter would violate the Person's privacy; or
- f) Discuss a delinquent assessment.

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

10. Committee's Quorum. At all meetings of the Management Committee, a majority of the members then in office shall constitute a quorum for the transaction of business, and the acts of the majority of all the Committee members present at a meeting at which a quorum is present shall be deemed to be the acts of the Committee. If, at any meeting of the Committee, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time but for no longer than two days. At any such rescheduled meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

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

12. Removal of Committee Member. A member of the Management Committee may be removed with or without cause, and his successor elected, at any duly called regular or special meeting of the Association at which a 51% quorum of the Association is present, by an affirmative vote of a majority of the members of the Association. Any member whose removal has been proposed by the Owners shall be given at least thirty days notice of the calling of the meeting and the purpose thereof and an opportunity to be heard at the meeting. Any Committee Member who misses twenty-five percent (25%) or more of the Committee Meetings or who misses three (3) consecutive meetings, in any calendar year, is past due more than 90 days without a payment plan in place, or who has not resolved a violation of the governing documents for more than 60 days shall be automatically removed from the Committee.

13. Presiding Authority. The President shall preside over all meetings of the Committee.

14. Minutes. The Secretary shall keep records of the Committee all resolutions adopted by the Committee and a record of all transactions and proceedings occurring at such meetings. These records may be maintained electronically.

15. Committee Action. Notwithstanding noncompliance with any provision within these Bylaws, Committee action is binding and valid unless set aside by a court of law. A person challenging the validity of a Committee action for failure to comply with these Bylaws may not bring the challenge more than sixty (60) days after the Committee has taken the action in dispute.

16. Action Without a Meeting. Committee Members have the right to take any action in the absence of a meeting which they could take at a Committee meeting if a majority of the Committee Members consent to the action in writing. The term “in writing” shall specifically include email and text messaging. Committee Members may also take action without a meeting if the Committee complies with any applicable provisions of the Acts. Any action so approved shall have the same effect as though taken at a Committee meeting.

17. Report of Committee. The Committee shall present at each annual meeting, and when called for by vote of the Association at any special meeting of the Association, a full and clear statement of the business and condition of the Association.

ARTICLE IV OFFICERS

1. Designation. The principal officers of the Association shall be a President, a Vice-President, a Secretary and a Treasurer, all of whom shall be elected by the Committee. The Committee may appoint assistant secretaries and such other officers as in its judgment may be necessary. Officers must be members of the Committee. Two or more offices may be held by the same person, except that the President shall not hold any other office.

2. Election of Officers. The officers of the Association shall be elected annually by the Committee at the first meeting of each Committee immediately following the annual meeting of the Association and shall hold office at the pleasure of the Committee. Any vacancy in an office shall be filled by the Committee at a regular meeting or special meeting called for such purpose.

3. Removal of Officers. The officers shall hold office until their respective successors are chosen and qualify in their stead. Any officer elected or appointed by the Committee may be removed at any time by the affirmative vote of a majority of the Committee, and his successor may be elected at any regular meeting of the Committee, or at any special meeting of the Committee called for such purposes.

4. President. The President shall be the chief executive officer; he shall preside at meetings of the Association and the Committee shall be an ex officio member of all committees; he shall have general and active management of the business of the Committee and shall see that all orders and resolutions of the Committee are carried into effect. He shall have all of the general powers and duties which are usually vested in or incident to the use of president of a corporation organized under the laws of the State of Utah.

5. Vice-President. The Vice-President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President, and shall perform such other duties as the Committee or the President shall prescribe. If neither the President nor the Vice President is able to act, the Committee shall appoint a member of the Committee to do so on an interim basis.

6. Secretary. The secretary shall attend all meetings of the Committee and all meetings of the Association and record all votes and the minutes of all proceedings in a book to be kept by

him for that purpose and shall perform like duties for committees when required. He shall give, or cause to be given, notices for all meetings of the Association and the Committee and shall perform such other duties as may be prescribed by the Committee. The Secretary shall compile and keep current at the principal office of the Association, a complete list of the Owners and their last known post office addresses. This list shall be open to inspection by all Owners and other persons lawfully entitled to inspect the same, at reasonable hours during regular business days. The Secretary shall also keep current and retain custody of the minutes of all annual and special meetings of the Association and all sessions of the Committee including resolutions.

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

**ARTICLE V
FISCAL YEAR**

The fiscal year of the Association shall be the calendar year consisting of the twelve (12) month period commencing on January 1st of each year terminating on December 31st of the same year. The fiscal year herein established shall be subject to change by the Committee should it be deemed advisable or in the best interests of the Association.

**ARTICLE VI
INVESTMENT OF COMMON FUNDS**

Common funds may only be deposited into institutions which are federally insured.

**ARTICLE VII
AMENDMENT TO BYLAWS**

1. Amendment. These Bylaws may be amended upon the affirmative written vote or consent of at least sixty-seven percent (67%) of the total votes of the Association cast either in person or by proxy at a meeting duly called for such purpose or otherwise approved in writing by such Owners without a meeting.

2. Execution of Amendments. An amendment shall be effective when executed by the President of the Association, who shall certify that all of the voting requirements have been satisfied, and recorded in the office of the County Recorder.

3. Effective Upon Recording. An amendment to these Bylaws shall become effective immediately upon recordation in the Office of the County Recorder.

**ARTICLE VIII
NOTICE**

1. Manner of Notice. All notices, demands, bills, statements, or other communications provided for or required under these Bylaws (except as to notices of

Association meetings which were previously addressed in Article II of these Bylaws) shall be in writing and shall be deemed to have been duly given if delivered electronically, personally, by text, or sent by regular U.S. Mail postage pre- paid, a) if to an Owner, at the e-mail address provided, or the address of his Lot or at such other address as the Owner may have designated by notice in writing to the Secretary; or b) if to the Committee or the Manager, at the principal office of the Manager or at such other address, including electronic, as shall be designated by notice in writing to the Owners pursuant to this Section.

2. Waiver of Notice. Whenever any notice is required to be given under the provisions of the statutes, the Declaration, or of these Bylaws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether signed before or after the time stated therein, shall be deemed equivalent thereto, unless such waiver is ineffective under the provisions of the Declaration.

ARTICLE IX BOOKS AND RECORDS

1. Books and Records. All books and records shall be kept in accordance with generally accepted accounting practices.

2. Financial Statements. Upon the written request of any Lot Owner, the Management Committee shall make available to such member its most recent financial statements showing in reasonable detail its assets and liabilities and the results of its operation, unless the member has already received the same.

3. Limitation of Liability. Neither the Association nor any director, officer, employee or agent of the Association shall be liable to the member or anyone to whom the member discloses the financial statement or any information contained therein for any error or omission therein, whether caused without fault, by negligence or by gross negligence, unless (1) the error or omission is material, (2) the director, officer, employee or agent in question knew of the error or omission and intended for the member or other person to rely thereon to his detriment, (3) the member or other persons did reasonably rely thereon, and, in addition, (4) he is otherwise liable under applicable law.

4. Independent Compilation, Review or Audit. Within 120 days of the end of the Association's fiscal year, the Management Committee shall ensure all financial statements required by the Nonprofit Corporation Act are finalized. Whenever requested in writing by a majority of Lot Owners, the Management Committee shall provide a Compilation Report, Reviewed Financial Statement, or an Audited Financial Statement. The cost of the Compilation Report, Reviewed Financial Statement, or an Audited Financial Statement shall be a Common Expense.

ARTICLE X COMPLIANCE, CONFLICT, AND MISCELLANEOUS PROVISIONS

1. Conflict. These Bylaws are subordinate and subject to all provisions of the Declaration. All of the terms hereof, except where clearly repugnant to the context, shall have the same meaning as they are defined to have in the Declaration. In the event of any conflict between these Bylaws and the Declaration, the provision of the Declaration shall control.

2. Waiver. No restriction, condition, obligation, or provision of these Bylaws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.

3. Captions. The captions contained in these Bylaws are for convenience only and are not part of these Bylaws and are not intended in any way to limit or enlarge the terms and provisions of these Bylaws.

4. Interpretation. Whenever in these Bylaws the context so requires, the singular number shall refer to the plural and the converse; and the use of any gender shall be deemed to include both masculine and feminine; and the term "shall" is mandatory while the term "may" is permissive.

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