WHEN RECORDED RETURN TO: SEB Legal Attorneys at Law, LLC 5200 South Highland Drive Suite 303 Salt Lake City, UT 84117

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR THE TOWNS AT MOUNTAIN VIEW (A Planned Unit Development)

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This Declaration is made on the date executed below by the M & M Properties, LLC, a Utah limited liability company ("Declarant").

RECITALS

A. The Towns at Mountain View is a planned unit development project located in Tooele City, Tooele County, Utah.

B. The Declarant intends to sell to various purchasers the fee title to the individual Lots contained in the Project, subject to the following covenants, conditions, restrictions, easements and limitations herein set forth which are hereby declared to be for the benefit of the whole tract and all of the Project described herein and the owners thereof, their successors and assigns.

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C. All Owners, guests, invitees, agents, and residents shall abide by the provisions of this Declaration.

D. These covenants, conditions, restrictions, easements, and limitations shall run with the land described in Exhibit "A" and shall be binding on and burden all parties having or acquiring any right, title, or interest to the land or any part thereof and shall create servient tenements on the land. The covenants, conditions, restrictions, easements, and limitations shall also benefit all parties having or acquiring any right, title, or interest to the land and shall create dominant tenements on the land.

E. The Association may be incorporated as a Utah nonprofit corporation. If incorporated, it shall be entitled to the rights, obligations, and benefits of the Revised Nonprofit Corporation Act (Utah Code sections 16-6a-101, *et. seq.*) as amended from time to time.

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NOW THEREFORE, for the benefit of the Project and the Owners thereof, the following covenants, conditions, restrictions, and easements shall apply to and be binding on the Project:

1 DEFINITIONS

Capitalized terms used in the Governing Documents (including recitals) have the following meanings:

1.1 Architectural Review Committee or ARC

Architectural Review Committee or ARC means the committee appointed by the Board for the purpose of ensuring that all improvements and landscaping within the Project comply with the architectural guidelines and other Governing Documents; and harmonize with the surrounding Lots.

1.2 Articles

Articles mean the Articles of Incorporation for the Towns at Mountain View Homeowners' Association, Inc., as amended from time to time.

1.3 Association

Association means the Towns at Mountain View Homeowners Association, Inc. It is intended that the Association be a Utah non-profit corporation. Failure of the Association to maintain its corporate status will not result in dissolution of the Association. The Association may renew its corporate status, reinstate its corporate status, or incorporate without Owner approval. Any actions taken during any period of un-incorporation shall be binding.

1.4 Board

Board means the Board of Directors. The Board governs the Project, business, and affairs of the Association.

1.5 Bylaws

Bylaws mean the bylaws of the Association, as amended or restated from time to time. The Bylaws are attached to this document as Exhibit "B."

1.6 Commercial Builder

Commercial Builder means any builder or developer, other than the Declarant, who owns two (2) or more Lots within the Project for the purpose of constructing homes for sale to residential customers.

1.7 Common Areas

Common Areas mean the open space and any improvements constructed thereon as shown on the Map, and shall include but not be limited to the private streets, play ground, retaining walls, and any other land included within the Project that is not a Lot, and which has not been conveyed to a governmental entity. The Common Areas may consist of landscaping, irrigation equipment, walkways, and other improvements. The Association owns all Common Areas.

1.8 Common Expenses

Common Expenses mean all sums spent to administer, maintain, or replace the Common Areas; administer and enforce the Governing Documents; expenses agreed upon as common expenses by a majority of a quorum of Owners; expenses authorized by the Governing Documents or the

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Community Association Act as common expenses; and any other expenses necessary for the common benefit of the Owners.

1.9 Community Association Act

Community Association Act shall mean Utah Code sections 57-8a-101 *et seq.*, as amended or replaced from time to time.

1.10 Declarant

Declarant means the M & M Properties, LLC, LLC, its successor or assigns.

1.11 Declaration

Declaration means this document, as amended, annexed, supplemented, or restated from time to time.

1.12 Director

Director means a member of the Board.

1.13 Dwelling

Dwelling means a structure or portion of a structure which is designed and intended for use and occupancy as a single-family residence, together with all improvements located on the Lot concerned which are used in conjunction such residence.

1.14 Governing Documents

Governing Documents mean the Declaration, Bylaws, Articles of Incorporation, Map, and rules and regulations.

1.15 Lot

Lot means a separately numbered parcel of property as shown on the Map. Lots shall include the Dwelling and all utility lines, and other installations exclusively serving the Lot whether under or over the Common Areas.

1.16 Map

Map means the plat map for the Towns at Mountain View, on file with the Tooele County Recorder and any amendments or supplements thereto.

1.17 Member

Member means an Owner. If an Owner is not a natural person, the Owner may designate a natural person in writing to act as its representative. If no representative is designated, then an officer, trustee, director, manager, or member as shown in the entity's formative documents shall be its representative.

1.18 Nonprofit Act

Nonprofit Act means Utah Code sections 16-6a-101 *et seq.*, as amended or replaced from time to time.

1.19 Officer

Officer means an officer of the Association as described in the Bylaws.

1.20 Owner

Owner means the owner of the fee in a Lot. If a Lot is subject to an executory purchase contract, the contract purchaser shall be considered the Owner. However, the seller and buyer may otherwise agree but must inform the Board in writing of the alternative arrangement.

1.21 Person

Person means an individual, corporation, partnership, association, trustee, or other legal entity.

1.22 Project

Project means the Towns at Mountain View as shown on the Map. The Project includes the land, buildings, improvements and structures, easements, rights, appurtenances, and articles of personal property intended for use in connection therewith. Exhibit "A" contains the legal description for the Project.

1.23 Resident

Resident means any Person living or staying at the Project. Residents include without limitation: Owners, tenants, family members of Owners and tenants, and guests staying more than a week.

1.24 Turnover Meeting

Turnover Meeting means the meeting described in Section 10.1.

2 SUBMISSION

2.1 Submission

The Project is submitted to be bound by the Governing Documents, to the provisions of the Community Association Act, and to the Nonprofit Act. All Owners shall take title subject to the Governing Documents, Community Association Act, and Nonprofit Act. All Residents and other users of the Project shall be subject to the Governing Documents and the Community Association Act.

2.2 Withdrawal

Prior to the Turnover Meeting, the Declarant may withdraw any property owned by it from the Project. Such withdrawn property shall no longer be subject to the covenants and restrictions of this Declaration except for any easements, rights, reservations, exemptions, power or privileges reserved to the Declarant pursuant to this Declaration which burdens the withdrawn property for the benefit of any property which is subject to the Declaration. Such withdrawal shall be made by recording a supplement to this Declaration with the Tooele County Recorder's Office, withdrawing the effect of the covenants and restrictions of the Governing Documents from the withdrawn property. Such withdrawn property may be utilized by the Declarant, or any successor, assign or transferee thereof, for any lawful purpose or use.

3 PROPERTY RIGHTS IN LOTS

3.1 Use and Occupancy

Except as otherwise expressly provided in the Governing Documents, the Owner of a Lot shall be entitled to the exclusive use and benefit of such Lot and Dwelling. Each Lot shall be bound by, and the Owner shall comply with the Governing Documents for the mutual benefit of the Owners.

3.2 Easements Reserved

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

3.2.1 Right of Entry. The Association and any person authorized by the Association may at any reasonable time, and from time to time at reasonable intervals, enter upon any Lot for the purpose of performing maintenance and determining whether or not the Lot is in compliance with the Governing Documents. Requests for entry shall be made in advance. Entry shall be made at a time convenient to the Owner, except in the case of an emergency, when such right shall be immediate. No such entry shall be deemed to constitute a trespass or otherwise create any right of action in the Owner of such Lot. The right of entry granted by this subsection is in addition to the Association's enforcement rights.

3.2.2 Easement for Encroachment. If any part of the Common Areas encroaches on a Lot, an easement for the encroachment and for maintenance shall exist. If any part of a Lot encroaches upon the Common Areas or any other Lot, an easement for the encroachment and for maintenance shall exist. Such encroachments will not be considered to be encumbrances to the Common Areas or Lots. Encroachment causes include, without limitation, errors in the original construction; errors in the Map; settling, rising, or shifting of the earth; or changes in position caused by good faith mistakes in the repair or reconstruction of the Project.

3.2.3 Utility Easements. The Association or any public utility provider shall have an easement over all Lots for the installation, maintenance, and development of utilities and drainage facilities. The easement area of each Lot and all improvements therein shall be maintained continuously by the Owner of the Lot of the Association in accordance with the terms of the Governing Documents, except for those improvements for which a public authority or utility provider is responsible.

3.3 Easements Shown on the Map

Lots shall be subject to the easements shown on the Map.

4 PROPERTY AND USE RIGHTS IN COMMON AREA

4.1 Member's Right of Enjoyment

4.1.1 The Project will have Common Areas as described herein and as designated in the Map for the benefit of all Owners. Every member of the Association shall have a non-exclusive right and easement for the use, benefit and enjoyment in and to the Common Areas and such nonexclusive right and easement shall be appurtenant to and shall pass with the title to every Lot, subject to the restrictions herein set forth.

4.1.2 Subject to the Governing Documents, each Resident, guest, or invitee has the right to ingress and egress across the Common Areas necessary for access to his or her Lot. The rights described in this Section are appurtenant to and pass with title to the Lot.

4.1.3 No portion of the Common Areas may be used exclusively by any Owner or Owners for personal gardens, storage facilities, or for any other purpose.

4.2 Delegation of Right of Use

Any member of the Association may delegate its rights to the use and enjoyment of the Common Area to Residents, all subject to such reasonable rules and regulations which the Association may adopt.

4.3 Compliance with Covenants and Restrictions and Rules and Regulations

Each Owner and Resident shall comply with the covenants and restrictions imposed by this Declaration on the use and enjoyment of the Common Area. Further, each Owner and Resident shall fully and faithfully comply with the rules, regulations, and restrictions applicable to use of the Common Area, as such rules, regulations and restrictions are from time to time adopted by the Association for the safety, care, maintenance, good order and cleanliness of the Common Area.

5 MAINTENANCE

5.1 Association Responsibility

The Association shall maintain, repair and replace all Common Areas. All maintenance, repair and replacement responsibilities for components of Lots or Dwellings not specifically assigned to either Owners or the Association shall be the responsibility of the Owners, unless otherwise determined by the Board and set forth by rule.

The Board, after notice and opportunity for hearing, or immediately in the case of an emergency, may assume certain maintenance responsibilities over a Lot or Dwelling if, in the opinion of the Board, the Owner is unwilling or unable to adequately adhere to the maintenance responsibilities specifically designated to the Owner under the Governing Documents. Should the Board exercise its right under this provision, it shall not be liable for trespass or nuisance and shall have the right to levy an Individual Assessment to recover its maintenance costs

5.2 Owner Responsibility

Unless otherwise assigned to the Association in this Declaration or by rule enacted by the Board, all maintenance, repair, and replacement of the Lots, Dwellings, and Improvements made by the Owners shall be the sole responsibility of the Owner thereof, who shall maintain such Lot in good repair and in accordance with the Governing Documents. The Board is hereby granted the express power to alter the maintenance, repair and replacement obligation of the Owners as set forth in this provision by rule.

Owners shall maintain their Lot in good repair and in accordance with the Governing Documents. Lots shall be maintained in order to protect and preserve the health, safety, aesthetics, and welfare of the Project, the other Lots, and the Common Areas. No improvement upon any Lot shall be permitted to fall into disrepair, and each such improvement shall be at all times be kept in good condition and repair and adequately painted or otherwise finished.

5.3 Party Walls

Each wall used as the dividing line between Dwellings is a party wall. Nothing in this Section shall alter or limit the general rules of law regarding party walls and liability for damage due to negligence, or willful acts or omissions. The cost of reasonable repair and maintenance of party walls shall be shared by the Owners who use the party wall in proportion to their use. If a party wall is destroyed or damaged by fire or other casualty, and is not a covered loss under insurance,

either Owner may restore the wall and the other Owner shall contribute to the cost of restoration in proportion to the damage sustained by the Owner compared to all damage to the party wall. The right of an Owner to any contribution from any other Owner for party wall costs shall be appurtenant to and run with the land and shall pass to an Owner's successor in title. The rights and obligations for party walls in this Section shall also apply to any roofs shared between Dwellings.

6 ASSESSMENTS

6.1 Covenant for Assessment

By accepting a deed or other conveyance, each Owner covenants and agrees to pay the Association all regular assessments, special assessments, supplemental assessments, individual assessments, late penalties, and collection costs (including attorney's fees) whether or not a lawsuit is commenced. No Owner may exempt themselves from liability for assessments by abandonment of their Lot, failure of the Association to maintain the Common Areas, or non-use of the Common Areas. Except for foreclosures, the personal obligation for unpaid assessments, late fees, interest, and collection costs, including attorney's fees, shall pass to the successor in title. A successor in title is entitled to a statement from the Association setting forth the amounts due by the prior owner. The amounts set forth in the statement shall be binding upon the Association. If an Owner loses their Lot to foreclosure or voluntarily conveys it, they shall remain personally liable for unpaid assessments, late fees, interest, and collection costs (including attorney's fees).

6.2 Declarant's Covenant for Assessments

Declarant shall not be obligated to pay assessments on any Lots it owns until 3 months after a certificate of occupancy for a Dwelling on such Lot has been granted by Tooele City. If the Declarant still owns the Lot after said 3-month period has expired, Declarant shall pay 25% of any assessment attributable to each Lot until such Lot is conveyed to a purchaser.

6.3 Commercial Builder's Covenant for Assessments

Any Lots transferred to a Commercial Builder by the Declarant will not be required to pay the assessment attributable to each such Lot until the first of the following events occur:

- 6.3.1 Issuance of a certificate of occupancy for a Dwelling located on the Lot; or
- 6.3.2 Expiration of 12 months from the date Commercial Builder took title to Lot.

the Lot.

After one of the previous events occur, assessments in the full amount will be levied on such Lot.

6.4 Annual Budget

The Board shall prepare an annual budget for the Association. The annual budget shall provide for: the maintenance, repair, and replacement of the Common Areas; maintenance of other areas required to be maintained by the Association; insurance; all other Common Expenses; and the administration, management, operation, and reserves of the Association. If the Board fails to adopt an annual budget, the last adopted budget shall continue in effect.

6.5 Reserve Analysis

After the Turnover Meeting, the Board shall cause a reserve analysis to be conducted no less

frequently than required by law. The reserve analysis shall determine the amount of money needed to cover the cost of repairing, replacing, and restoring Common Areas and any other part of the Project that the Association is responsible to repair, replace, and restore, that have a useful life of three years or more and a remaining useful life of less than thirty years, if the cost cannot reasonably be funded from the general budget or other funds of the Association. The Board may conduct the reserve analysis itself or may engage reliable persons or organization, as determined by the Board, to conduct this reserve analysis.

6.6 Reserve Account

The Association shall establish a reserve account to fund long-term maintenance and replacement items identified in the reserve analysis. The Board shall use reasonable efforts, subject to the Owners' rights under the Community Association Act, to fund the reserve account. The Board shall not be personally liable for failure to fund the reserve account unless gross negligence or intentional misconduct is proven in a court of law.

The reserve account shall not be used for any purpose other than the purpose for which the reserve fund was established, except as provided by Utah statute.

The reserve fund shall be maintained separately from other funds of the Association. It may be invested in the reasonable judgment of the Board, so long as such investment is insured by the government. Reserve accounts shall be established and maintained in accordance with generally accepted accounting practices.

6.7 Regular Assessment

The Association may collect the regular assessment on an annual basis, semi-annual basis, quarterly basis, or monthly basis. Written notice of the regular assessment amount and payment schedule shall be sent to Owners at least 30 days in advance of the beginning of the fiscal year for which the regular assessment will be due. Apart from the initial notice of regular assessment, the Association is not obligated to send periodic invoices for regular assessments. If the Board fails to adjust a regular assessment, the amount of the last regular assessment and payment schedule will continue in effect, whether or not notice is sent.

6.8 Special Assessment

The Association may levy a special assessment for the purpose of defraying in whole or in part the cost of any reconstruction, maintenance, repair, or replacement of the existing assets of the Common Areas, for the payment of unforeseen but necessary expenses of the Association as authorized under the Governing Documents, or for specific components of the Lots and Dwellings for which it is responsible under this Declaration or by rule. In each calendar year, the Association may levy special assessments in an amount not totaling over 30% of the annual budget without obtaining approval from the Owners. If the Association intends to levy any special assessments that would place the total amount of special assessments levied in a calendar year over the threshold of 30% of the annual budget, the Association must provide 30days' advanced notice of the intended special assessment to the Owners. Following such notice, the Board shall hold a vote on the proposed special assessment which shall be approved upon the affirmative vote of a majority of a quorum of owners.

6.9 Supplemental Assessment

If the regular assessments are inadequate to pay the Common Expenses, the Board shall determine the amount of the shortfall. Once the amount of the shortfall is determined, the Board shall adopt a supplemental budget. The Association may levy a supplemental assessment to fund the supplemental budget. The Association may levy a supplemental assessment up to

30% of the original annual budget without approval from the Owners. If a supplemental assessment exceeds 30% of the original annual budget, it must be approved by a majority of a quorum of Owners.

6.10 Individual Assessment

Any expenses attributable to less than all the Lots may be assessed exclusively against the affected Lots. Individual assessments include, without limitation:

6.10.1 Assessments levied against a Lot to reimburse the Association for costs and attorney fees incurred in correcting a violation of the Governing Documents;

6.10.2 Fines, late fees, interest, and collection costs (including attorney's fees);

6.10.3 A reinvestment fee due at the time a Lot is transferred or conveyed in an amount to be set by the Board but not to exceed 0.5% of the purchase price of the Lot;

6.10.4 Services provided to a Lot due to an Owner's failure to maintain, for emergency repairs, or to protect the health, safety, and welfare of adjoining Lots and Common Areas; and

6.10.5 Any charge described as an individual assessment by the Governing Documents.

6.11 Apportionment of Assessments

Regular, special, and supplemental assessments will be apportioned equally among the Lots. Individual assessments shall be apportioned exclusively to the Lots benefitted or affected.

6.12 Nonpayment of Assessment

Assessments not paid within 10 days after the due date established by the Board will be late and subject to interest at 18% per annum on any delinquent balance and a late fee established by rule. Late fees may only be charged once per missed payment. The Board may set and change the amount of the late fee by rule.

6.13 Application of Payments

Payments, including partial payments, shall be credited first to collection costs (including attorney's fees), then to interest and late fees, then to the oldest assessments, then the most recent assessments.

6.14 Acceleration

If an Owner fails to pay their assessments for 61 days or more, the Board may elect to accelerate the remainder of the Assessments due that year. The Board may, in its discretion, enter into a payment plan with such Owner to provide an opportunity to become current on Assessments prior to acceleration.

6.15 Suspension of Voting Rights

If an Owner has a delinquent assessment balance, the Association may suspend their right to vote.

6.16 Lien for Assessment

All assessments, late fees, interest, and collection costs (including attorney's fees) not timely

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paid shall be a charge and continuing lien upon each Lot against which the assessment is made. The Association shall file a notice of lien with the county recorder as evidence of nonpayment.

6.17 Enforcement of Lien

Without waiving its right to personally pursue an Owner for unpaid assessments, the Association may foreclose its lien in the same manner as deeds of trust, mortgages, or any other manner permitted by Utah law.

6.18 Appointment of Trustee

The Owners hereby convey and warrant pursuant to Utah Code sections 57-1-20 and 57-8a-302 to a member of the Utah State Bar, with power of sale, the Lot and all improvements to the Lot for the purpose of securing payment of assessments under the terms of the Declaration.

6.19 Subordination of Lien

A lien for assessments shall be subordinate to a first mortgage now or hereafter placed upon a Lot. The sale of a Lot pursuant to foreclosure of a first mortgage shall extinguish the lien for assessments which became due prior to the foreclosure sale. A foreclosure will not relieve the purchaser's obligation to pay six months of assessments, late fees, and penalties.

7 RESTRICTIONS ON USE

7.1 Use of Lots – Residential Use

Each of the Lots in the Project is limited to single-Family, residential use only. The use if further defined by local zoning code. Each Lot and Owner is subject to the uses and restrictions imposed by such restrictions (including any parking restrictions).

7.2 No Obstruction of Common Areas

There shall be no obstructions of the Common Areas by the Owners, Residents, or their tenants, guests and invitees without the prior written consent of the Board. The Board may by rules and regulations prohibit or limit the use of the Common Areas as may be reasonably necessary for protecting the interests of all the Owners or protecting the Lots or the Common Areas.

Nothing shall be kept or stored on any part of the Common Areas without the prior written consent of the Board, except as specifically provided herein. Nothing shall be altered on, constructed in, or removed from the Common Areas except upon the prior written consent of the Board.

7.3 Cancellation of Insurance, Illegal Activity

Nothing shall be done or kept in any Lot or in the Common Areas, or any part thereof, which would result in the cancellation of the insurance on the Project, or any part thereof, or increase the rate of the insurance on the Project, or any part thereof, or increase of the rate of the insurance on the Project, or any part thereof, over what the Board, but for such activity, would pay, without the prior written consent of the Board.

Nothing shall be done or kept in any Lot or in the 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. No damage to, or waste of, the Common Areas or any part thereof shall be committed by any Owner or any invitee of any Owner, and each Owner shall indemnify and hold the Board and the Owners harmless against all loss resulting from any such damage or waste caused by him or his invitees.

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7.4 Nuisances

No Resident shall create, maintain or permit a nuisance in, on, or about the Project. For purposes of this section a "nuisance" includes behavior which annoys, disturbs, or interferes with other Residents and interferes with their right to the quiet and peaceful enjoyment of their property. A nuisance includes, but is not limited to, the following:

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

7.4.2 The storage of any item, property, or thing that will cause any Lot or the Common Areas to appear to be in an unclean or untidy condition or that will be noxious to the senses;

7.4.3 The accumulation of rubbish, unsightly debris, garbage, equipment, or other things or materials so as to constitute an eyesore as reasonably determined by the Board or the Association;

7.4.4 The storage of any substance, thing, or material upon any Lot or in the Common Areas that will emit any foul, unpleasant, or noxious odors, or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the other residents at the Project;

7.4.5 The creation or maintenance of any noxious or offensive condition or activity in or about any Lot or the Common Areas;

7.4.6 Actions or activities tending to cause embarrassment, discomfort, annoyance, distress, or a disturbance to any other Residents, their guests or invites, particularly if the police or sheriff must be called to restore order;

7.4.7 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, unsightly, unpleasant, or of a nature that diminishes or destroys the enjoyment of the community by other residents, their guests, or invitees;

7.4.8 Excessive noise in, on, or about any Lot or the Common Areas, especially after 10:00 p.m. and before 7:00 a.m.;

7.4.9 Excessive traffic in, on, or about any Lot or the Common Areas, especially after 10:00 p.m. and before 7:00 a.m.;

7.4.10 Allowing a pet to be unleashed while outside of the Lot;

7.4.11 Continuous barking, meowing, or other animal noises;

7.4.12 Allowing an animal to defecate in the Common Areas or another Owner's Lot and failing to immediately clean up any such feces;

7.4.13 Flying of drones or unmanned aircraft by Residents in or above any Lot or Common Area;

7.4.14 Storing trash receptacles outside of the garage or keeping them curbside at any time other than the time period starting with the evening of the day prior to the scheduled garbage pickup day and ending with the evening of the scheduled garbage pickup day;

7.4.15 Any other activity defined as nuisance under Utah law.

7.5 Rules and Regulations

No Owner or Resident shall violate the rules and regulations for the use of the Lots and of the Common Areas as adopted from time to time by the Board. Owners and Residents shall be responsible to advise their guests and invitees about the rules and shall be responsible for their guests and invitees' compliance with the rules and regulations.

7.6 Structural/Exterior Alterations

Except for initial construction and landscaping performed by an agent of Declarant, no improvements, alterations, repairs, maintenance, excavation, or other work which in any way alters the original exterior appearance of a Lot or the improvements located thereon shall be made without the prior written approval of the ARC. No exterior alterations to a Dwelling may be performed without the prior written approval of the ARC and the appropriate governmental entity. No building, fence, wall, or other structure shall be erected, maintained, improved, altered, made, or done (including choice of exterior color scheme and building materials) without the prior written approval of the ARC.

7.7 Window Coverings

The Board, by rule, may require that certain colors and types of window covering be used. Under no circumstances shall any cardboard or tinfoil be used as window coverings in the Project. Additionally, no stickers or non-holiday decorations will be permitted in windows.

7.8 Signs

No signs shall be erected or maintained in the Common Areas without the prior written consent of the Board. Without restricting an Owner's right to display political, religious, and holiday signs, the Board may adopt rules and regulations regarding the display of any signs in the Project. The foregoing notwithstanding, for sale signs no larger than three feet by two feet (3' x 2') may be placed on a Lot by the Owner of said Lot.

7.9 Animals

No animals, livestock, birds, insects, reptiles, or poultry of any kind shall be raised, bred, or kept on any Lot except for domesticated dogs, cats, birds, and fish, and only then in accordance with animal rules adopted by the Board and in accordance with Tooele City code. Such permitted animals shall be allowed as long as said animals do not unreasonably bother or constitute a nuisance to others, and provided such animals are kept in compliance with the rules and regulations of the Association. In no case shall any Owner raise, breed, or keep more than two animals total, except for fish, at any time unless otherwise authorized by rule. The Board has the authority to establish an animal fee as part of the rules pertaining to animals and their Owners.

Dogs must be supervised when outside the residence of the dog owner and when such dog is in any unfenced portion of a Lot.

If an animal owner violates any of animal rules and regulations, the Board shall have the express

authority to issue citations or levy assessments, and collect these by judgment, lien or foreclosure. In the event of a violation of this provision or the rules (if any) pertaining to animals and/or animal owners, the Board may require that the Owner or Resident remove their animal from the Project.

7.10 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:

7.10.1 The parking rules and regulations adopted by the Board from time to time.

7.10.2 No recreational, commercial, or oversized vehicles or boats shall be stored within the Project unless stored inside of a Lot's garage and the garage door is closed.

7.10.3 No motor vehicle, boat or trailer, including but not limited to any car, automobile, truck, RV, van, or any other transportation device of any kind may be parked or stationed in such a manner so as to block access to any Lot or parking space or to create an obstacle.

7.10.4 No Resident shall repair or restore any vehicle of any kind in or on a Lot (outside the garage) or on the Common Area, except for emergency repairs, and then only to the extent necessary to enable movement thereof to a proper repair facility.

7.10.5 No garage may be altered in such a manner that the number of motor vehicles, which may reasonably be parked therein after the alteration is less than the number of motor vehicles that could have been reasonably parked in the garage as originally designed and constructed.

Vehicles parked in violation of this Declaration may be impounded or towed without further notice, and at the Owner's sole expense.

7.11 Timeshares

Timeshares and time-sharing of Lots within the Project is prohibited, and under no circumstances shall any Lot be owned or used for time sharing, including but not limited to a "Timeshare Interest" as that term is defined in Utah Code Ann. § 57-19-2(27), as amended.

7.12 Firearms and Projectile Weapons

The use of firearms, airsoft guns, BB guns, pellet guns, archery equipment, or any other projectile weapon, however powered, is prohibited.

7.13 Leases

Leases shall be subject to the following restrictions:

7.13.1 The leasing of a Lot shall comply with this Section. "Leasing" means granting the right to use or occupy a Dwelling to a non-owner while no Owner occupies the Dwelling as their primary residence. Lots owned by business entities shall be considered leased regardless of who occupies the Dwelling.

7.13.2 Lots may be rented only to a single family. Dormitory, hostel, hotel, nightly, or vacation-by-owner rentals are strictly prohibited. Owners shall disclose in the advertisements and written lease that the Lot may only be leased or rented by a single family.

7.13.3 All leases and lessees shall be subject to the provisions of the Governing Documents. Any Owner who leases their Dwelling shall be responsible for assuring the occupants' compliance with the Governing Documents.

7.13.4 Rental-Lease Limit. No Lot may be rented or leased if the rental or lease results in more than 50% of the Lots within the Project being rented, except as provided in subsection 7.13.7 of this Section ("Rental-Lease Limit"). If any portion of a Lot is rented or leased, the entire Lot shall be considered to be rented or leased for the purposes of this provision and the subparagraphs listed herein.

7.13.5 Rental-Lease Term. All initial lease terms shall be a minimum of 12 months, except as provided in subsection 7.13.7 of this Section ("Rental-Lease Term").

7.13.6 Prior to renting or leasing any Lot or portion of a Lot, an Owner shall apply to the Board. The Board shall review the application and make a determination of whether the rental or lease will exceed the Rental-Lease Limit or the Rental-Lease Term. The Board shall:

7.13.6.1 approve the application if it determines that the rental or lease will not exceed the Rental-Lease Limit and complies with the Rental-Lease Term;

7.13.6.2 deny the application if it determines that the rental or lease of the Lot will exceed the Rental-Lease Limit or does not comply with the Rental-Lease Term.

7.13.7 The Board shall allow the following exemptions to the Rental-Lease Limit and Rental-Lease Term in such cases as:

7.13.7.1 an Owner is in the military for the period of the Owner's deployment;

7.13.7.2 a Lot is occupied by an Owner's parent, child or sibling;

7.13.7.3 an Owner whose employer has temporarily relocated the Owner for two (2) years or less;

7.13.7.4 a Lot is owned by an entity that is occupied by an individual who has voting rights under the entity's organizing documents and has a 25% or greater share of ownership, control, and right to profits and losses of the entity; or

7.13.7.5 a Lot is owned by a trust or other entity created for estate planning purposes if the trust or other estate planning entity was created for the estate of a current resident of the Lot or the parent, child, or sibling of the current resident of the Lot.

7.13.8 Notwithstanding the Rental-Leasing Limit and Rental-Leasing Term exemptions listed above, it is the intent and desire of the Association to consist solely of owner-occupied Lots with a maximum of 50% of Lots being rented. Consequently, all

decisions of the Board with respect to the implementation of Section 7.13 shall be made, to the extent reasonable, to fulfill this intent and desire.

7.13.9 Lease Agreements – Required Terms. Unless otherwise approved by the Board, all lease agreements shall be in writing. All Owners shall use and provide the Board with a copy of a written lease agreement as well as current tenant contact information, including phone numbers and email addresses. All lease agreements shall contain terms subjecting the occupant to the terms, conditions, and restrictions of the Governing Documents, as amended from time to time. The Owner shall provide the tenant with a copy of the Governing Documents, including but not limited to any rules and regulations adopted by the Board. In the event the Governing Documents are amended, revised, changed, or supplemented by the Association, the Owner shall provide the tenant with a copy of the amendments, revisions, changes, or supplements within 10 calendar days of adoption.

7.13.10 Any Owner leasing their Lot must comply with current laws and ordinances regarding renting, including but not limited to, business licensing regulations.

7.13.11 Owners shall not rent to registered sex or kidnap offenders. An Owner who leases shall conduct a criminal background check on all potential tenants. The Owner shall provide the Association with a sworn statement that as of the date they rent the Lot, none of the tenants are registered sex or kidnap offenders.

7.13.12 The Board will create rules to establish procedures regarding this Section 7.15 to:

7.13.12.1 determine and track the number of rentals and Lots in the Project subject to the provisions described in Section 7.13.7;

7.13.12.2 ensure consistent administration of these Rental-Lease Limit and Lease Term provisions.

7.13.13 Failure to Take Legal Action. Failure by an Owner to take legal action against their occupant who is in violation of the Governing Documents within 10 days after delivery of written demand to so do from the Board, shall entitle the Association to take any and all action for and in behalf of said Owner including, the institution of legal proceedings on behalf of such Owner against his or her occupant for eviction, injunctive relief, or damages. Neither the Association nor its agents shall be liable to the Owner or occupant for any legal action commenced under this paragraph that is made in good faith. The Owner hereby appoints the Board as his or her attorney in fact to take any action authorized by this provision as if the Owner was performing it.

7.13.14 Recovery of Costs and Attorney Fees; Owner Liable. The Association shall be entitled to recover from the offending Owner its costs and attorney's fees incurred for enforcement of this Section, regardless of whether any lawsuit or other action is commenced. The Association may assess such costs and attorney's fees against the Owner and the Lot as an assessment pursuant to this Declaration. Additionally, the Owner shall be liable for all fines, assessments, or other penalties levied due to violations of their tenant. The Owner shall be personally liable for any violations caused by their tenant. Any assessments, fines or penalties levied under this Section shall be collectible as an assessment.

7.14 Temporary Structures, etc.

No structure of a temporary character, or trailer, camper, tent, shack, garage, or other outbuilding shall be used on any Lot at any time as a residence either temporarily or permanently, unless first approved in writing by the Board. All outbuildings must be approved in writing by the ARC prior to construction. Further, all outbuildings must have the same roofing and siding materials as the home on the Lot on which such outbuildings are constructed.

7.15 Subdivision of Lots

No Lot shall be further subdivided or separated into smaller Lots or parcels by any Owner, and no portion constituting less than all of any such Lot shall be conveyed or transferred by any Owner without the prior written approval of the Board. No Lot may be converted into a condominium or cooperative or other similar type of entity without the prior written approval of the Board. No further covenants, conditions restrictions or easements shall be recorded against any Lot without the written consent of the Board being evidenced on the recorded instrument containing such restrictions. Without Board approval such restrictions shall be null and void. No applications for rezoning, variances, or use permits shall be filed without the written approval of the Board and then only if such proposed use in compliance with this Declaration.

7.16 Front Porches

Front porches are required to be maintained in a clean and tidy fashion. Any outdoor furniture kept on the front porch shall be well maintained and in good condition. The Association may require worn furniture or furniture that detracts from the aesthetic of the Project to be removed from the front porch. Only outdoor furniture may be kept on the front porch.

Front porches shall not be used for storage. Examples of items prohibited from being kept on front porches include, without limitation, bicycles, toys, barbecues, trash receptacles, ash trays, and anything else which appears unkempt, dirty, or detracts from the appearance of the Project.

7.17 Sex Offenders

No person required to register as a sex or kidnap offender for life pursuant to Utah Code section 77-41-105(3)(c)(i) ("Lifetime Offender"), may permanently or temporarily reside in the Project. If a Lifetime Offender occupies a Dwelling or an Owner becomes a Lifetime Offender after this amendment is recorded, they shall be subject to the provisions of this Section.

7.17.1 Owners. Any Owner in violation of this Section must vacate the Lot within 180 days of receipt of notice from the Association. If the Owner fails to vacate within 180 days, the Association shall be entitled to a mandatory injunction requiring the Lifetime Offender to immediately vacate.

7.17.2 Tenants/Guests/Family Members. If a Lifetime Offender occupies a Lot/Dwelling as a tenant, guest, resident, or family member, the Owner who owns the Lot must immediately cause the person to vacate the Lot and, if the person does not vacate within 30 days of the date the Owner was notified by the Association of the presence of a Lifetime Offender, then the Owner will immediately commence eviction proceedings. If the Owner fails to commence eviction proceedings within 30 days following the date the Owner is required to do so, and/or if the Owner fails to diligently prosecute the eviction to its conclusion, then the Association may act as attorney-in-fact for the Owner and pursue the eviction action. The Owner shall reimburse the Association for any costs and attorney's fees incurred. Cost and attorney's fees shall be collectable as an individual assessment.

Each Owner, by accepting a deed to property within the Project, appoints the Association as the Owner's attorney-in-fact for the purpose of commencing eviction proceedings, executing any and all documents pertaining to the proceedings, or performing any or all responsibilities as may be required or necessary to be performed pursuant to this Section. This power of attorney is expressly declared and acknowledged to run with the title of any and all Lots and will be binding upon the heirs, personal representatives, successors, and assigns of the Owner.

7.17.3 Association not Liable. The Association will not be liable to any Owner or anyone occupying a Lot/Dwelling or visiting the Association as a result of the Association's failure to dispossess a Lifetime Offender.

7.17.4 Board Membership. From the effective date of this amendment forward, any person who has to register as a sex or kidnap offender under Utah Code § 77-41-105, whether or not for life, may not serve on the Board.

7.18 Holiday Decorations

Holiday decorations are permitted but must be removed within a week after the holiday, except for December holiday decorations which must be removed within two weeks after the holiday.

8 ARCHITECTURAL CONTROL

8.1 Architectural Review Committee

Until the Turnover Meeting, Declarant may appoint all members of the Architectural Review Committee ("ARC"), which shall be comprised of three (3) people. After the Turnover Meeting, members of the ARC shall be appointed by the Board from the membership of the Association. If no such appointment is made, then the Board shall be the ARC. The ARC shall ensure that all improvements and landscaping within the Project comply with the requirements of this Declaration and harmonize with the surrounding homes.

8.2 Submission to the Committee

No home, accessory, addition, repair to the exterior of a home, or other improvement shall be constructed, maintained, or altered unless complete plans and specifications have first been submitted and approved by the ARC.

8.3 Standard

In deciding whether to approve plans and specifications, the ARC shall use its best judgment to ensure that all improvements, construction, color schemes, and building materials harmonize with existing surroundings and structures.

8.4 Approval Procedure

Any plans submitted to the ARC shall be approved or disapproved in writing within 30 days after submission. ARC failure to act and communicate the decision in 30 days results in approval of the proposed plans.

8.5 No Liability for Damages

Neither the ARC, nor its individual members, shall be liable for damages by reason of any action, inaction, approval, or disapproval by it with respect to a request for approval.

8.6 Aerials, Antennas, and Satellite Dishes

Aerials, antennas, and satellite dishes larger than one meter in diameter are prohibited. Aerials, antennas, and satellite dishes may not be installed on Common Areas. One antenna or satellite dish smaller than one meter in diameter may be installed within the Lot. The Association may create policies to create a hierarchy of preferred installation locations to protect the aesthetics of the Project. The hierarchy of preferred installation locations may not interfere with reception.

8.7 Building Materials

All materials and colors must be approved by the ARC.

8.8 Garages Required

Each Dwelling within the Project shall have a two car garage.

8.9 Setbacks

All Dwellings, structures and Lots shall comply with applicable local ordinances governing setback requirements.

8.10 Landscaping

The ARC may designate trees and shrubs which are approved or prohibited within the Project.

8.11 Construction Requirements

Owners and builders shall make all reasonable efforts to keep their Lot free from waste and other materials caused by construction work on a daily basis and, upon completion of the work, shall remove all waste, equipment, and other materials and leave the Lot in a neat and orderly condition. Construction dumpsters must be kept on the Owner's Lot and are not permitted on the streets within the Project.

8.12 Alternative Energy Solutions

Owners shall apply to the ARC for approval prior to installing alternative energy solutions on their Lot. The Board may approve rules, regulations, and design criteria governing the installation of alternative energy solutions in compliance with this Section and the Community Association Act.

Any installation of a solar energy system shall comply with all local, state, and federal laws, as well as safety and performance standards as discussed in Community Association Act. No solar energy system shall be mounted on the ground in a place that is visible from the street that the Lot fronts. If a solar energy system is mounted on a roof, the system shall not extend beyond the roof line and all panel frames, support brackets, and visible piping and wiring must have a color and texture that is similar to the roof material.

The ARC may place additional restrictions on the installation of solar energy systems when reviewing plans so long as those restrictions do not decrease the solar energy system's production by more than 5% or increases the cost of installation by more than 5%.

8.13 Architectural Guidelines

The ARC, with final approval of the Board, may promulgate architectural guidelines determining

the requirements of Dwellings and landscaping, though such guidelines may not be at odds with the express requirements of this Declaration.

8.14 Completion

Any construction shall be continuously and diligently performed until completion. An application for approval shall have a proposed timeline showing start and finish date and all work shall be performed within a reasonable time of the proposed timeline.

9 MEMBERSHIP AND ASSOCIATION

9.1 Membership

Every Owner is a Member of the Association. Membership in the Association is mandatory, is appurtenant to the Lot, and shall not be separated from the Lot.

9.2 Voting Rights

Each Lot shall have one vote. Voting is governed by the Bylaws.

9.3 Status and Authority of Board

The Board is the governing body of the Association. It is obligated to manage, operate, and maintain the Project and to enforce the Governing Documents. The Board has exclusive authority to act in the Association's name. Any action taken by the Board on behalf of the Association will be deemed to be done in the Association's name. The rights and powers of the Board are governed by the Bylaws.

9.4 Composition and Selection of Board

The Bylaws govern how the Board is established and selected.

9.5 Adoption of Bylaws

The Association has adopted Bylaws which are being recorded simultaneously with this Declaration.

10 DECLARANT RIGHTS

10.1 Administrative Control of Association

Declarant shall assume full administrative control of the Association through an appointed interim Board, which shall serve until the Turnover Meeting.

The Turnover Meeting shall be held at the Declarant's option and sole discretion but shall not be held later than three (3) months from the date the last Lot to be developed in the Project is sold.

Declarant may elect to relinquish control of the Association at an earlier time by written notice to the Owners. The Turnover Meeting shall be held within ninety (90) days of such notice.

10.2 Other Rights

In addition to any other rights under the Governing Documents, as long as Declarant owns at least one Lot within the Project, Declarant:

10.2.1 <u>Sales Office and Model</u>. Shall have the right to maintain a sales office and model on one or more of the Lots that Declarant owns. Declarant and prospective

purchasers and their agents shall have the right to use and occupy the sales office and models during reasonable hours any day of the week.

10.2.2 "<u>For Sale Signs</u>." May maintain a reasonable number of "For Sale" signs, the size of which may be determined by Declarant, at reasonable locations within the Project, including without limitation, the Common Areas.

10.2.3 <u>Declarant Exemption</u>. Unless specifically and expressly bound by a provision of the Governing Documents, Declarant shall be exempt from the provisions of the Governing Documents.

10.3 Easements Reserved to Declarant

Declarant shall have the following rights and easements:

10.3.1 The reservation to Declarant, its successors and assigns, of non-exclusive easements and rights of way over those strips or parcels of land designated or to be designated on the Map as "public utility easement," or otherwise designated as an easement area over any road or Common Area on the Project, and over those strips of land running along the front, rear, side and other Lot lines of each Lot shown on the Map.

10.3.2 An easement for the installation, construction, maintenance, reconstruction and repair of public and private utilities to serve the Project and the Lots therein, including but not limited to the mains, conduits, lines, meters, and other facilities for water, storm sewer, sanitary sewer, gas, electric, telephone, cable television, and other public or private services or utilities deemed by Declarant necessary or advisable to provide service to any Lot, or in the area or on the area in which the same is located.

10.3.3 Easement granting the privilege of entering upon the Common Areas for such purposes and making openings and excavations thereon, which openings and excavations shall be restored in a reasonable period of time, and for such alterations of the contour of the land as may be necessary or desirable to affect such purposes.

10.3.4 The reservation to Declarant and its successors and assigns, of a nonexclusive easement and right-of-way in, through, over, and across the Common Area for the purpose of the storage of building supplies and materials, and for all other purposes reasonably related to the completion of construction and development of the Project and the provision of utility services and related services and facilities.

10.3.5 The Declarant further reserves unto itself, and its successors and assigns, the right to grant easements, rights-of-way and licenses to any person, individual, corporate body, or municipality to install and maintain pipelines and underground or above-ground lines, with the appurtenances necessary thereto for public utilities, or quasi-public utilities or to grant such other licenses or permits as the Declarant may deem necessary for the improvement of the Project in, over, through, upon ,and across any and all of the roads, streets, avenues, alleys, and open space and in, over, through, upon, and across each and every Lot in any easement area set forth in this Declaration or as shown on the Map.

10.3.6 The Declarant further reserves unto itself and its successors and assigns, the right to dedicate all of said roads, streets, alleys, rights of way or easements, including easements in the areas designated as "open space" and storm water management

reservation, to public use all as shown on the Map. No road, street, avenue, alley, right of way or easement shall be laid out or constructed through or across any Lot or Lots in the Project except as set forth in this Declaration, or as laid down and shown on the Map, without the prior written approval of the Board.

10.3.7 Declarant further reserves unto itself and its successors and assigns, the right at or after the time of grading of any street or any part thereof for any purpose, to enter upon any abutting Lot and grade a portion of such Lot adjacent to such street, provided such grading does not materially interfere with the use or occupancy of any structure built on such Lot, but Declarant shall not be under any obligation or duty to do such grading or to maintain any slope.

10.3.8 Declarant further reserves unto itself and any builder and their successors and assigns, the right, notwithstanding any other provision of the Declaration, to use any and all portions of the Project other than those Lots conveyed to Owners, including any Common Area which may have previously been conveyed to the Association, for all purposes necessary or appropriate to the full and final completion of construction of the Project.

11 COMPLIANCE AND ENFORCEMENT

11.1 Compliance

Each Owner or Resident of a Lot shall comply with the provisions of the Governing Documents and the rules and regulations adopted pursuant thereto and any applicable statute. Failure to comply therewith shall be grounds for an action or suit maintainable by the Association or an aggrieved Owner. Further, Owners and Residents shall be responsible for their guests and invitees' compliance with the Governing Documents and rules and regulations.

11.2 Remedies

Violation of any provisions of the Governing Documents, or of any decision of the Association made pursuant to such documents, shall give the Board acting on behalf of the Association, the right, in addition to any other rights set forth in the Governing Documents, or under law, to do any or all of the following after giving notice and an opportunity to be heard:

11.2.1 To enter the Lot which, or as to which, such violation exists and to summarily abate and remove, at the expense of the defaulting Owner, any structure, thing, or condition that may exist contrary to the intent and meaning of such provisions, and the Board shall not thereby be deemed guilty of any manner of trespass, provided that judicial proceedings shall be instituted before any items of construction may be altered or demolished. Costs and attorney's fees shall be an Individual Assessment;

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

11.2.3 To levy reasonable fines pursuant to a schedule of fines adopted by resolution of the Board. In the absence of a resolution to the contrary, fines shall be \$50.00 per-occurrence for non-continuing violations and \$50.00 every 5 days, not to exceed \$500 in a month, for failure to cure continuing violations until the continuing violation is cured. Unless otherwise defined in a resolution, a continuing violation is one that is not cured 48 hours after the Association gives Owner notice of the violation. All other violations shall be non-continuing. For violations of the architectural rules under Section 8 of this Declaration only, the Board must first give the violating Owner notice of the violation. If the Owner has not cured the violation under Section 8 within 90 days of notice, the Owner shall be fined according to this provision and the fine schedule promulgated by the Board;

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

11.2.5 The right of the Association to suspend the voting rights and the rights to use of the Common Areas after notice and a hearing for any infraction of any of the Governing Documents;

11.2.6 Bring suit or action against the Owner on behalf of the Association and other Owners to enforce this Declaration, the Bylaws and any rules or regulations adopted pursuant thereto. Costs and attorney's fees shall be an Individual Assessment.

11.3 Action by Owners

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

11.4 Mediation

Before an Owner may bring an action against the Association under Section 11.3, they must first make a good faith attempt to resolve any such dispute through mediation. An aggrieved Owner shall provide a written request for mediation to a member of the Board. The parties to the dispute shall then have 21 days to schedule mediation. If the parties to the dispute are unable to agree upon a mediator, then the Owner requesting mediation shall provide a list of five potential mediators to the other party, who may then pick a mediator from the list. If the parties have not scheduled mediation within 21 days of the written request, then the mediation requirement is thereby waived and the Owner may bring an action pursuant to Section 11.3.

11.5 Injunctive Relief

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

11.6 Hearing

The Board shall, by resolution, promulgate procedures for hearings. When a hearing is requested or required, the hearing shall be conducted in accordance with the Board's resolution on hearings.

12 INSURANCE

12.1 Types of Insurance Maintained by the Association

12.1.1 Property and liability insurance for the Common Areas in an amount determined by the Board;

12.1.2 Directors and officers insurance for at least \$1,000,000.00; and

12.1.3 Fidelity bond or dishonest acts insurance for at least the value of the reserves and operating capital of the Association.

The Board may adopt insurance rules and policies to maintain the insurability of the Project, keep the premiums reasonable, and enforce responsibilities of the Owners.

12.2 Insurance Company

The Association shall use an insurance company that is licensed in Utah and is knowledgeable with community association insurance.

12.3 Premium as Common Expense

The premiums for the Association's insurance policies shall be a Common Expense.

12.4 Insurance by Owner

Owners shall be solely responsible for maintaining insurance on their Dwelling and Lot.

12.5 Right to Adjust Claims

The Association has the right and authority to adjust claims.

13 AMENDMENT AND DURATION

13.1 Amendments

13.1.1 <u>Approval Required</u>. Except as otherwise provided in this Declaration, this Declaration may be amended by approval of Owners holding sixty-seven percent (67%) of the voting rights of the Association.

13.1.2 <u>Execution and Recordation</u>. An amendment shall not be effective until the amendment is certified by the president and secretary of the Association as being adopted in accordance with this Declaration is acknowledged and is recorded in the Tooele County Recorder's Office, Utah.

13.1.3 <u>Declarant's Right to Amend</u>. Notwithstanding anything in this Declaration, so long as the Class B membership exists, the written consent of the Declarant is required to amend this Declaration or the Map. As long as Declarant owns any Lot, the Declarant shall have the unilateral right to amend the Declaration.

14 MISCELLANEOUS PROVISIONS

14.1 Professional Management

The Association may be managed by a professional management company. The Board may select the professional management company using criteria set by the Board and complying with Utah law.

14.2 Invalidity; Number; Captions

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

this Declaration.

14.3 Votes without a Meeting

The Association may collect votes without a meeting as outlined in the Bylaws.

14.4 Joint Owners

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

14.5 Lessees and Other Invitees

Lessees, invitees, contractors, family members and other persons entering the Project under rights derived from an Owner shall comply with all of the provisions of this Declaration, the Bylaws and rules and regulations adopted by the Association restricting or regulating the Owner's use, improvement, or enjoyment of such Owner's Lot and other areas within the Project. The Owner shall be responsible for obtaining such compliance and shall be liable for any failure of compliance by such persons in the same manner and to the same extent as if the failure had been committed by the Owner.

14.6 Covenants Run with the Land

The Declaration contains covenants which run with the land and create equitable servitudes. The Declaration shall be binding upon and inure to the benefit of the Association, all parties who hereafter acquire any interest in or occupy a Lot or any part of the Project, their heirs, successors, assigns, grantees, devisees, personal representatives, guests, and invitees. Each Owner or Resident shall comply with the Governing Documents. All interests in the Lots shall be subject to the Governing Documents. Failure to comply shall be grounds for an action for damages or injunctive relief by the Association or an Owner. By acquiring any interest in a Lot, each Owner or Resident agrees to be bound by the Governing Documents.

14.7 Waiver, Precedent and Estoppel

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

14.8 Notice of Sale, Mortgage, Rental, or Lease

Immediately upon the sale, mortgage, rental, or lease of any Lot, the Owner shall promptly inform the secretary or manager of the name and address of said grantee, vendee, mortgagee, lessee, or tenants.

14.9 Taxes on Lots

Each Owner will pay all taxes which may be assessed against his or her Lot.

14.10 Utilities

Each Owner must pay their own utilities for their own Lot, which include but not limited to: water, sewer, garbage, gas, electric, cable tv (if any), satellite tv (if any), and internet (if any).

14.11 Service of Process

The registered agent of the Association will be the person named in the corporate records on file with the Utah State Department of Commerce. If the corporate status of the Association expires, the president shall be the successor agent. The name and address of the president shall be kept with the Association's records at its principal place of business.

14.12 Conflicts

If the Declaration conflicts with the Community Association Act, the Community Association Act shall control. If the Declaration conflicts with the Map, the Declaration shall control. If the Declaration conflicts with the Bylaws, Articles, or rules, the Declaration shall control.

14.13 Interpretation

In all cases, the Governing Documents shall be interpreted liberally to effectuate the purpose of protecting the uniformity of the Project's overall scheme and resulting desired nature and quality of residential life in the Project.

14.14 Effective Date

The Declaration and any amendments take effect upon recording in the Tooele County Recorder's Office.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed by its duly authorized agent.

DATED: 5/19/22.

DECLARANT M & M Properties, LLC Bv: NOTARY PUBLIC Its: Mana MARC A HICKS COMM. # 702601 OMMISSION EXPIRES STATE OF UTAH) OCTOBER 01. 2022 STATE OF UTAH :ss. County of $_{-}$ \bigcirc On this 19 day of MAY

On this 19 day of <u>May</u>, 2021, personally appeared before me <u>Jereny Michel</u> who being by me duly sworn, did say that they are the authorized agent of the Declarant authorized to execute this Declaration and did certify that this Declaration was approved by Declarant's members.

Exhibit A

Legal Description

LOT 1 THROUGH LOT 32 THE TOWNS AT MOUNTAIN VIEW SUBDIVISION.

THE COMMON AREA LOLATED IN THE DUNS AT MOUNTAIN VIEW SUBDIVISION,

PARCEL NUMBERS' 22 - 024 - 0 - 0001 THROUGH 22-024-0-0032 AND 22-024-0-00CA 22-024-0-000R

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Exhibit B

Bylaws of Towns at Mountain View Homeowners Association, Inc.

1 Bylaw applicability/definitions

1.1 Definitions

The capitalized terms used in the Bylaws shall have the same meaning given to them in the Declaration, unless otherwise specifically stated.

1.2 Bylaw Applicability

The provisions of these Bylaws are binding upon the Association and the Owners. All present and future Owners shall be subject to these Bylaws, as amended from time to time. Acquisition of any Lot constitutes an acknowledgment that the Owner has agreed to and ratified these Bylaws and will comply with them.

2 Association

2.1 Composition

All of the Owners acting as a group in accordance with the Governing Documents shall constitute the Association. Except for matters specifically reserved for a vote of the Owners, the Board, on behalf of the Owners, shall administer the Association's affairs.

2.2 Annual Meeting

Annual meetings shall be held once a year. The Board shall determine the date, time, and place of the annual meeting. The Association shall send notice of annual meetings at least 10 days but not more than 60 days in advance of the meeting. At the annual meeting the Association shall conduct the following business in any order the Board sees fit:

- 2.2.1 Roll call and verification of quorum;
- 2.2.2 Approval of minutes from preceding annual meeting;
- 2.2.3 Reports of officers;
- 2.2.4 Special committee reports;
- 2.2.5 Election of Directors;
- 2.2.6 Unfinished business from preceding annual meeting; and
- 2.2.7 New business.

2.3 Special Meeting

Special meetings may be held at any time for any purpose. A special meeting may be called by a majority of the Directors or upon petition of at least 20% of the Owners in good standing. The Association shall schedule and send notice of a special meeting within 30 days of request. The notice of a special meeting shall state the date, time, place, and purpose of the meeting. The Association shall send notice of a special meeting at least 10 days in advance of the meeting. No business may be transacted at a special meeting except as stated in the notice.

2.4 Place of Meeting

Meetings shall be held at a place designated by the Board and stated in the notice of meeting. Meetings shall be held in Tooele County.

2.5 Conduct of Meeting

The President shall preside over all meetings of the Association. The Secretary shall keep the minutes of the meeting and take record of all resolutions adopted at the meeting.

2.6 Quorum

A quorum shall be the Owners present in person or by proxy at a meeting.

2.7 Voting

The Association shall initially have the following two classes of votes:

2.7.1 <u>**Class A.</u>** Class A Members shall be all Owners other than the Declarant until the Class B membership ceases. Class A Members shall be entitled to one vote for each Lot in which the interest required for membership in the Association is held. In no event, however, shall more than one Class A vote exist with respect to any Lot.</u>

2.7.2 <u>**Class B.</u>** The Class B Member shall be the Declarant. The Class B Member shall be entitled to 2 votes for every Lot owned by Declarant plus 2 votes for every Class A vote. The Class B Membership shall automatically cease and be converted to a Class A membership upon the sale of the last Lot.</u>

If a Lot is owned by more than one Person and multiple Owners are present at a meeting, the vote appertaining to that Lot shall be cast by agreement of a majority of the Owners. If a Lot is owned by more than one Person and a single Owner is present at a meeting, the vote appertaining to that Lot shall be cast by the Owner present. The Association may conclusively presume the consent of all of a Lot's Owners when a vote is cast by a Lot with multiple Owners.

Except where a greater number is required by the Governing Documents or the Nonprofit Act and elections of Directors, any decision requiring Owner consent shall be passed by majority vote of a quorum.

2.8 Good Standing

An Owner shall be in good standing if he or she has paid assessments levied against his or her Lot, including late fees, interest, fines, collection costs, and attorney fees, and is otherwise complying with the Governing Documents. An Owner must have paid in full at least three days prior to the meeting or action and the receipt and clearance of such amounts must have been verified by the Association.

2.9 Proxies

An Owner in good standing may vote or otherwise act by proxy. An Owner may appoint a proxy by signing a proxy appointment form. The proxy appointment form may be submitted to the Association in person, by mail, or electronically. The proxy appointment form must name a proxy, be dated, and signed by the Owner. Any proxy appointment form that does not contain a proxy's name, date, or signature shall be void. A proxy appointment form is valid until revoked by the Owner's attendance at a meeting, a signed and dated revocation delivered to the Association, a subsequent proxy appointment, notice of death or incapacity of the Owner, or the passage of 11 months.

2.10 Mail-in Ballots

Actions requiring a vote of the Owners may be taken by any method prescribed by the Board and allowed under Utah Law, including the procedures set forth for mail-in ballots in Section 16-6a-

709 of the Nonprofit Act, as amended from time to time. If votes are taken electronically, the Board shall enforce measures to affirm the identity of all voters. A combination of mail-in ballots, ballots collected electronically, and ballots cast in person may be used.

2.11 Written Consent in Lieu of Vote

Any action requiring a vote of the Owners, except election of Directors, may be taken by written consent. Action by written consent shall comply with the procedures set forth in Nonprofit Act section 16-6a-707, as amended from time to time. Written consents may be collected electronically.

2.12 Record Date

The record date for determining which people are entitled to vote shall be the date notice of the meeting or action is sent. The Board may change the record date prior to sending notice of the action. The Owners shown on the records of the Association on the record date shall be the people entitled to vote on an action.

3 Board of Directors

3.1 Number and Qualification of Directors

There shall be three Directors. Except for Directors appointed by Declarant, Directors must be Members in good standing.

3.2 Selection and Term of Directors

After the Turnover Meeting, Directors shall serve for a term of two years (except as otherwise stated expressly herein) and shall serve until their successors have been elected. No Owner may serve more than two consecutive terms as a Director. An Owner who has served two consecutive terms as a Director again until after they have been off the Board for the duration of one term. Directors terms shall be staggered as follows: (i) two Directors shall be elected in years ending with an even number; and (ii) the remaining Director shall be elected in years ending with an odd number.

At the initial election of the Directors, the Director with the most votes shall serve a three-year term, the Directors with the second and third most votes shall serve two year terms. In the event of a tie, the Directors shall determine who will serve the longer term. After the term of each initial Director, such Director's replacements in office shall serve a term of two years. If for any reason the terms become unstaggered, the Board shall have power to re-stagger the terms.

3.3 Vacancies

After the Turnover Meeting, director vacancies, for any reason other than removal by vote of the Association, shall be filled by vote of a majority of the remaining Directors. The Board shall conduct a special meeting for the purpose of filling the vacancy. The meeting shall be valid even if a quorum is not present. Each replacement Director shall serve until the next annual Owners' meeting, then the vacancy shall be filled by vote of the Owners. The replacement Director elected by the Owners shall serve the remaining term of the replaced Director. During the vacancy, the Board shall have the same powers as during the time when a full Board is sitting so long as a majority of the sitting Board, or a higher number if otherwise required by the Governing Documents, approves the matter in accordance with the Governing Documents.

3.4 Removal of Directors

After the Turnover Meeting, a Director may be removed with or without cause by vote of a majority of a quorum of Owners. If the Owners propose to remove a Director, the Association shall give the Director and Owners at least 15-day written notice of the meeting and the purpose of the meeting. The Director shall be given an opportunity to be heard at the meeting prior to the vote to remove him or her. At any meeting where a Director is removed by the Owners, the Owners must vote to replace the Director. The replacement will serve the remaining term of the removed Director.

After the Turnover Meeting, any Director who allows his or her assessments to become more than 90 days past due may be removed and replaced by vote of a majority of the Board. The Board shall give the Director 10-day written notice to cure the default prior to voting to remove the Director.

3.5 Organization Meeting

The Directors shall hold a meeting following the annual Owners meeting for the purpose of electing officers. Notice of the organization meeting shall be given verbally at the annual meeting. The organization meeting shall be conducted at the next regular meeting of the Board or may be conducted at a special meeting.

3.6 Regular Meetings

The Board shall hold regular meetings. The Board shall determine frequency, times, and locations of regular meetings. However, the Board shall conduct at least two regular meetings per year. Notice of regular meetings shall be given to each Director at least three days prior to the meeting.

3.7 Special Meetings

A Director may call a special meeting of the Board. Notice shall be given at least three days prior to the meeting. Notice shall state the time, place, and purpose of the meeting.

3.8 Conduct of Meetings

The President shall preside over all meetings of the Board unless unavailable, in which case the Vice President shall be permitted to preside. The Secretary shall take minutes of the Board meetings and shall make record of all resolutions.

3.9 Quorum

A majority of the Board shall constitute a quorum. A quorum shall be required to conduct business at a meeting. If less than a quorum is present at a meeting, the majority of those present may adjourn the meeting until such time as a quorum is present. Once established, a quorum will be present even if Directors leave. Directors may attend a meeting telephonically or by other electronic means where the Directors can hear each other.

3.10 Notice and Waiver of Meeting Notice

Notice to Directors may be personally delivered, mailed, or delivered by any available electronic mean, including, without limitation: text, email, fax, or posting on the website. Directors may waive notice of meetings in writing. A waiver shall be deemed equivalent to notice. Attendance of a Director at a meeting will be considered a waiver of notice, unless the Director attends to dispute notice. If all Directors are present at a meeting, notice of the meeting is waived and any business may be conducted.

3.11 Action without Meeting

Any action by the Board may be taken without a meeting if all the Directors submit a written vote either for, against, or abstaining from the action. Written votes may be given in person, by mail, or electronically. The Association shall file the written votes with its record of minutes.

3.12 Powers and Duties

The Board shall manage the affairs and business of the Association. The Board is vested with all power and authority necessary to administer the affairs of the Association in accordance with the Governing Documents. The Board may do any act required or allowed by the Governing Documents, the Community Association Act, the Nonprofit Act, or any other rule of law.

Without limiting the generality of the foregoing, and subject to the limitations contained in the Declaration, Bylaws, or Community Association Act, the Board shall have the following authority:

3.12.1 Prepare an annual budget and establish what constitutes a Common Expense;

3.12.2 Adopt and amend rules, regulations, policies, and procedures governing the Common Areas, administration of the Association, and to enforce and interpret the Governing Documents;

3.12.3 Delegate authority to a managing agent to act on behalf of the Association;

3.12.4 Provide for the maintenance, repair, and replacement of the Common Areas;

3.12.5 Hire, contract for, and terminate personnel or contractors necessary for the maintenance repair and replacement of the Common Areas and administration of Association business. Provide for the compensation of personnel. Purchase supplies, equipment, and materials for use in the Association;

3.12.6 Open and maintain bank accounts on behalf of the Association. Designate authorized signers for the bank accounts;

3.12.7 File lawsuits or initiate other legal proceedings on behalf of the Association;

3.12.8 Defend lawsuits, administrative actions, and other legal proceedings against the Association;

3.12.9 Pay costs of any services rendered to the Project or multiple Owners, but not billed to the Owners individually;

3.12.10 Keep books with detailed accounts of the receipts and expenditures of the Association. Make the books available to the Owners as required by the Community Association Act and Nonprofit Act. The books shall be kept in accordance with generally

accepted accounting practices. Upon resolution by the Board, retain an independent auditor to audit the books;

3.12.11 Grant easements, licenses, or permission over, under, and through the Common Areas;

3.12.12 Upon approval by 67% of the ownership interest in the Common Areas, to convey Common Areas;

3.12.13 Create committees;

3.12.14 Publish and adhere to policies and procedures as required by the Fair Housing Act to authorize the Association to fulfill its purposes;

3.12.15 Prepare, authorize, approve, and adopt a reserve study and budget;

3.12.16 Upon approval of a majority of the Owners, to take out necessary loans to cover emergency Association expenses costing in excess of 30% of the annual budget;

3.12.17 Any other act allowed or required by the Governing Documents, the Community Association Act, or the Nonprofit Act;

3.12.18 Any act allowed or required to be done in the name of the Association.

3.13 Manager

The Board may employ a manager to perform such duties and services as the Board shall authorize. The Board may delegate to the manager all powers granted to the Board and officers by the Governing Documents. However, the manager must obtain the Board's written consent to exercise the powers listed in Bylaw Sections 3.12.2, 3.12.6, 3.12.7, 3.12.8, 3.12.11, 3.12.12, 3.12.16.

3.14 Compensation

Directors shall not be compensated for their work. However, Directors may seek reimbursement for actual costs and mileage incurred during their service.

3.15 Limitation of Liability

The Directors shall not be liable to the Owners for any mistake of judgment, negligence, or other errors, unless it was by willful misconduct or criminal conduct. The Association shall indemnify and hold the Directors harmless against liability to third parties for actions taken on behalf of the Association, while acting in their capacity as Director, unless the action constitutes willful misconduct.

4 Officers

4.1 Election and Term of Officers

The Board shall elect the officers of the Association. Officers shall be elected from the Directors. Officers shall serve one-year terms and shall serve until their successor is elected.

4.2 Removal of Officers

The Board may remove any officer with or without cause by affirmative vote of a majority of a quorum of the Board. If an officer is removed, the Board shall replace them.

4.3 Offices

The Association's officers shall include president, vice president, secretary, and treasurer. The Board may appoint assistant officers, who need not be Directors, as it may deem necessary. Except for the president, the same person may hold two offices.

4.3.1 President. The president shall be the chief executive officer. He or she shall preside at meetings of the Association and the Board. He or she shall be an unofficial member of all committees. He or she shall have general and active management of Association business. He or she shall see that all resolutions and policies of the Association are executed.

4.3.2 Vice President. The vice president shall perform the duties and exercise the powers of the president in the absence or disability of the president. If the president and vice president are unable to act, the Board shall appoint a Director to fulfill the duties on an interim basis.

4.3.3 Secretary. The secretary shall attend all meetings and take minutes thereof. He or she shall also make record of all resolutions, rule, policies, and procedures. He shall give or cause to be given notice of all meetings. He or she shall compile or cause to be compiled a complete list of the Owners and their contact information.

4.3.4 Treasurer. The treasurer shall oversee the finances of the Association. He or she shall be responsible to ensure that the Association has full and accurate records of income and expenses. He or she shall give financial reports at regular Board meetings and the annual Owners' meeting.

4.4 Delegation of Duties

The Association officers may delegate any of their duties to a manager or to a committee. However, the officers shall be responsible to oversee and ensure that the duties so delegated are being properly discharged.

4.5 Compensation

Officers shall not be compensated for their work. However, officers may seek reimbursement for actual costs and mileage incurred during their service.

5 Notice

5.1 Manner of Notice

All notices and other communications required under the Governing Documents shall be in writing.

5.1.1 Notices to Owners may be delivered using the following methods:

1

5.1.1.1 By professional courier service or First-class U.S. mail, postage prepaid, to the address of the Lot or to any other address designated by the Owner in writing to the Association;

5.1.1.2 By hand to the address of the Lot or to any other address designated by the Owner in writing to the Association;

5.1.1.3 By posting on the Association website; or

5.1.1.4 By facsimile, electronic mail, text, or any other electronic means to an Owner's number or address as designated by the Owner in writing to the Association or used to communicate with the Association.

5.1.2 Notice to the Association may be delivered using the following methods:

5.1.2.1 By professional courier service or First-class U.S. mail, postage prepaid, to the principal office of the Association as designated in writing to the Owners; or

5.1.2.2 By facsimile, electronic mail, or any other electronic means to the Associations official electronic contact as designated in writing to the Owners.

5.1.2.3 Notices sent via courier or mail shall be deemed received 3 days after being sent. Notices hand delivered or sent via electronic means shall be deemed received upon delivery or being sent.

5.2 Waiver of Notice

Whenever any notice is required under the Governing Documents, the Community Association Act, or the Nonprofit Act, an Owner may waive notice in writing. The waiver may be signed before or after the time for notice. A waiver of notice shall be equivalent to notice.

6 Finances

6.1 Fiscal Year

The fiscal year of the Association shall be the calendar year.

6.2 Checks, Agreements, Contracts

All checks, contracts, deeds, leases, and other instruments used for expenditures or obligations may be executed by any person authorized by the Board.

6.3 Availability of Records

Association financial records shall be available as provided by the Community Association Act and Nonprofit Act.

7 Amendment to Bylaws

7.1 Amendments

Until the Turnover Meeting, these Bylaws may be amended unilaterally by the Declarant. After the Turnover Meeting, these Bylaws may be amended by the Board, unless it would result in changing the rights, privileges, preferences, restrictions, or conditions of a membership class as

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to voting, dissolution, redemption, or transfer by changing the rights, privileges, preferences, restrictions, or conditions of another class. These Bylaws may also be amended by a majority vote of a quorum of the Owners.

7.2 Recording

Any amendment to these Bylaws shall become effective on the date it is recorded in the Tooele County Recorder's Office.

8 Miscellaneous

8.1 Office

The principal office of the Association shall be located at any place within the State of Utah which may be designated from time to time by the Board.

8.2 Conflicts

The Bylaws are subordinate to any conflicting provisions in the Community Association Act, the Nonprofit Act, the Articles, the Map, or the Declaration. The Bylaws are superior to the rules, regulations, and policies of the Association.

8.3 Severability

If any provision of these Bylaws is held by a court of law to be invalid, the validity of the remainder of these Bylaws shall not be affected.

8.4 Waiver

No provision of these Bylaws shall be deemed to be waived because of a failure to enforce the provision.

8.5 Captions

The captions contained in these Bylaws are for convenience only. The captions shall not be used to interpret, limit, or enlarge the provisions of these Bylaws.

8.6 Gender, etc.

Whenever the context so requires, the singular shall include the plural and vice versa. The use of any gender shall include all genders.

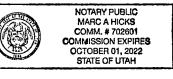
IN WITNESS WHEREOF, the Declarant has caused these Bylaws to be executed by its duly authorized officers.

[SIGNATURES ON FOLLOWING PAGE]

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128 191 5 DATED:

DECLARANT: M & M Properties, LLC $By: \underline{\Box EREMY MICHEC}$ $Its: \underline{MANAGING MEMBER}$ STATE OF UTAH County of $\underline{U+ah}$ STATE OF UTAH



On this <u>19</u> day of <u>May</u>, <u>2021</u>, personally appeared before me <u>JEremy Michel</u> who being by me duly sworn, did say that they are the authorized agent of the Declarant authorized to execute these Bylaws and did certify that these Bylaws were approved by Declarant's members.

7020