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DECLARATION OF COVENANTS, CONDITIONS & RESTRICTIONS

FOR

TAYLORS COVE P.U.D. SUBDIVISION
AND
TAYLORS PARK P.U.D. SUBDIVISION

A PLANNED RESIDENTIAL DEVELOPMENT

IN

TAYLORSVILLE, UTAH

IVORY HOMES,
a Utah limited Partnership

AS DEVELOPER

WHEN RECORDED RETURN TO:

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
TAYLORS COVE P.U.D. SUBDIVISION AND TAYLORS PARK P.U.D. SUBDIVISION
a Planned Residential Development

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
TAYLORS COVE P.U.D. SUBDIVISION AND TAYLORS PARK P.U.D. SUBDIVISION
a Planned Residential Development

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS for TAYLORS COVE P.U.D. SUBDIVISION AND TAYLORS PARK P.U.D. SUBDIVISION, (the "Declaration") is executed this 13th day of May, 1998, by IVORY HOMES, a Utah limited partnership of 970 East Woodoak Lane, Salt Lake City, Utah 84117 (the "Developer"), with reference to the following:

RECITALS

A. Developer is the owner of certain real property located in Taylorsville City, Utah, described more particularly on Exhibit "A" attached hereto and incorporated herein by this reference (the "Property").

B. Developer has subdivided the Property into Lots 1 through 39 of TAYLORS COVE P.U.D. SUBDIVISION, inclusive, and Lots 1 through 24 of TAYLORS PARK P.U.D. SUBDIVISION, inclusive.

C. Developer desires to provide a general plan for the development of all of the Property and for the establishment of covenants, conditions and restrictions to enhance and protect the value and attractiveness of the Property, all in accordance with the provisions of this Declaration.

COVENANTS, CONDITIONS AND RESTRICTIONS

NOW, THEREFORE, for the reasons recited above, the Developer hereby covenants, agrees and declares that the Property shall be subject to the following covenants, conditions and restrictions:

1. Definitions. The following definitions shall apply to this Declaration:

a. "Architectural Review Committee" shall mean the person or persons appointed to review the architecture within the Subdivision (the "ARC").

b. "Assessment" shall mean a Lot Owner's portion of the Common Expenses or any other amount charged by the Association.

c. "Association" shall mean all of the Owners acting as a group.

d. "Builder" shall mean an Owner, developer or contractor who obtains a construction or occupancy permit for one or more Lots.

e. "Common Expense" shall mean and refer to:

- 1) All sums lawfully assessed against the Owners;
- 2) Expenses of administration of the Association and the ARC;
- 3) Expenses allocated by the Association among the Owners;
- 4) Expenses agreed upon as common expenses by the Management Committee; and

5) Expenses declared common expenses by the Declaration.

f. "Committee" shall mean the ARC.

g. "Dwelling" shall mean the detached single family residence, place of habitation, abode or living unit constructed upon a Lot.

h. "Entry" shall mean the entryway to the Subdivision.

i. "Entry Monument" shall mean the Subdivision monument located at the Entry to the Project.

j. "Lot" or "Lots" shall mean the subdivided and recorded lot or lots within Property and where the context so requires any Dwelling constructed thereon.

k. "Member" shall mean each Owner who, by virtue of accepting a deed or other document of conveyance to a Lot, is deemed to be a shareholder in the Association.

l. "Membership in the Association" shall mean that shareholder interest which is appurtenant to the ownership of a Lot in the Subdivision, which may not be separated or partitioned therefrom and which shall automatically accompany the transfer or conveyance of an ownership interest in the Lot to which it relates.

m. "Owner" or "Owners" shall mean the record owner or owners, whether one (1) or more persons or entities, of a fee simple title to any Lot, excluding those having such interest merely as security for the performance of an obligation.

o. "Parkstrip" shall mean that certain strip of open or green space or landscape located near or adjacent to the Entry and Entry Monument.

p. "Preservation Area" or "Park" shall mean that land located within the boundaries of the Subdivision and where the context so requires, improvements thereon owned by the State of Utah and maintained or to be maintained by Taylorsville City as open space.

q. "Project" shall mean the Subdivision.

r. "Subdivision" shall mean the TAYLORS COVE P.U.D. SUBDIVISION and TAYLORS PARK P.U.D. SUBDIVISION, a Planned Residential Development.

2. Area of Application. This Declaration shall apply to all of the Property.

3. Right to Expand Application. The Developer shall have the right to expand the application of this Declaration to other property by written amendment to this Declaration duly recorded.

4. Architectural Issues. Since aesthetics, the harmony of design, and quality of construction and materials throughout the Subdivision is important, all architectural designs, plans, specifications and construction must be (a) reviewed and approved by the ARC or its designee and (b) consistent with the restrictions set forth herein governing the Subdivision.

5. Architectural Review Committee (the "ARC"). Until the occurrence of the Events described in Section 22 below, the Developer has the sole right and exclusive authority to resolve all architectural issues and may, in its sole discretion, designate one or more persons from time to time to act on its behalf in reviewing applications hereunder as the ARC, which may consist of (a) a single individual, architect or engineer, or (b) a committee comprised of architects, engineers or other persons who may or may not be members of the Association, or (c) the Management

Committee or its designee. Any such delegation shall specify the scope of responsibilities delegated, and shall be subject to the irrevocable right of Developer to revoke such delegation at any time and reassume jurisdiction over the matters previously delegated and/or to veto any decision which Developer determines, in its sole discretion, to be inappropriate or inadvisable. So long as the Developer has the right to resolve all architectural issues, the jurisdiction of the foregoing entities shall be limited to such matters as are specifically delegated to it by the Developer. The initial ARC will be made up of Ellis R. Ivory, Brian Apsley, and Christopher P. Gamvroulas, who shall serve until such time as their successors are qualified and appointed.

6. Transfer of Control of ARC. Upon the occurrence of the Events described in Section 22 below, the Developer shall transfer the right to resolve all architectural issues and control of the ARC to the Association.

7. Procedures for Approval of Plans and Specifications. Architectural designs, plans and specifications showing the nature, kind, shape, color, size, materials, and location of all proposed structures and improvements shall be submitted to the ARC for review and approval (or disapproval). In addition, information concerning irrigation systems, drainage, lighting, landscaping and other features of proposed construction shall be submitted as applicable. In reviewing each submission, the ARC may consider the design, harmony of external design with existing structures, the location in relation to surrounding structures, topography, finish grade and elevation, among other things. Decisions of the ARC may be based on purely aesthetic considerations. Each Owner acknowledges that opinions on aesthetic matters are subjective and may vary as committee members change over time. In the event that the ARC fails to approve or to disapprove any application within thirty (30) days after submission of all information and materials reasonably requested, the application shall be deemed approved. However, no Dwelling shall be constructed or altered unless it meets the following requirements:

- a. Only single family residential Dwellings are allowed.
- b. Height of any Dwelling shall not exceed two (2) stories above ground.
- c. Each Dwelling shall have a private garage for not less than two (2) automobiles.
- d. Exterior materials may include any combination of brick, stone, rock or maintenance-free stucco.
- e. On the front of each Dwelling, maintenance-free aluminum or vinyl siding will only be allowed for fascia or trim. The balance of the front elevation may include any combination of brick, stone or rock, or maintenance-free stucco. Provided, however, on Lot No's 13, 14 and 15 in the TAYLORS COVE Subdivision, the front of the Dwelling Unit must include brick, stone or rock in addition to maintenance free stucco.
- f. Any detached accessory building must conform in design and materials with the primary residential Dwelling.
- g. All front yards of Lots shall be fully landscaped within one (1) year of the closing on the transaction. Landscaping and all grading and drainage shall be designed in such a way to control water run-off so that any Lot within the Subdivision will not be adversely affected by another. Furthermore, the grades established by the Owner or Developer will not be altered unless authorized in writing by the ARC. All landscaping must conform to the Landscaping Guidelines attached hereto and incorporated herein by this reference.
- h. No fence or similar structure shall be built in any front yard to a height in excess of four (4') feet. Nor shall any fence or similar structure be built in any side or rear yard in excess of six (6) feet. Chain link fencing shall not be allowed. Natural wood, white vinyl or masonry fencing is allowed. Any fencing or similar structure using other materials requires the prior written approval of the ARC. If there is a dispute as to what constitutes the front, side or rear yards, the decision of the ARC shall be final, binding and conclusive.

i. Standards. Designs submitted for approval shall be limited to those prepared by architects or by qualified residential designers of outstanding ability whose previous work may be reviewed as a part of the approval process.

8. Preliminary Architectural Drawings, Plans and Specifications. The ARC may require, as a minimum, the following:

- a. Plot plan to scale of entire site with buildings located and elevation of floors shown above or below a designated point on the street.
- b. Floor plans of each floor level to scale.
- c. Elevations to scale of all sides of the Dwelling.
- d. One major section through Dwelling.
- e. A perspective (optional).
- f. Specifications of all outside materials to be used on the exterior of the Dwelling.

9. Final Plans and Specifications and Working Drawings. The ARC may require, as a minimum, the following:

- a. Plot plans to scale showing the entire site, building, garages, walks, drives, fence, carriage lights, retaining walls, with elevations of the existing and finished grade and contours including those at the outside corners of the buildings and at adjacent property lines and street fronts, and elevations of floors from a designated point on the street.
- b. Detailed floor plans.
- c. Detailed elevations, indicating all materials and showing existing and finished grades.
- d. Detailed sections, cross and longitudinal.
- e. Details of cornices, porches, windows, doors, garages, garden walls, steps, patios, fences, carriage lights, etc. Specifications shall give complete description of materials to be used with supplements, addendums or riders noting the colors of all materials to be used on the exterior of the Dwelling.

10. No Waiver of Future Approvals. The approval of the ARC of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of such Committee, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings or matters whatever subsequently or additionally submitted for approval or consent.

11. Variance. The ARC may authorize variances from compliance with any of the architectural guidelines when circumstances such as topography, natural obstructions, hardship, aesthetic, or environmental considerations require, but only in accordance with its duly adopted rules and regulations. Such variances may only be granted, however, when unique circumstances dictate and no variance shall (a) be effective unless in writing, (b) be contrary to the restrictions set forth in the body of this Declaration, or (c) estop the ARC from denying a variance in other circumstances. For purposes of this Section, the inability to obtain approval of any governmental agency, the issuance of any permit or the terms of financing shall not be considered a hardship warranting a variance.

12. **Limitation of Liability.** Neither the Association, Management Committee, ARC, or any agent thereof, nor Developer or any of its employees, agents, or consultants shall be responsible in any way for any defects in any plans or specifications submitted, revised or approved in accordance with the provisions of this Declaration, nor for any structural or other defects in any work done according to such plans and specifications. By accepting a deed or other document of conveyance to a Lot, each Owner agrees to and shall defend, indemnify, save and hold the Developer, Association, Management Committee and the ARC, their agents, representatives, members and employees harmless from any and all loss, damage or liability they may suffer, including defense costs and attorney fees, as a result of any claims, demands, costs, awards or judgments arising out of their review or approval of architectural designs, plans and specifications.

13. **Enforcement.** Any construction, alteration, or other work done in violation of this Declaration shall be deemed to be nonconforming. Upon written request from the Developer, ARC or Management Committee, Owners shall, at their own cost and expense, remove such non-conforming construction, alteration, or other work and shall restore the land to substantially the same condition as existed prior to the non-conforming construction, alteration, or other work. Should an Owner fail to remove and restore as required hereunder, the Developer, ARC or Management Committee, or their designee, shall have the right to enter the property, remove the violation, and restore the property to substantially the same condition as existed prior to the construction, alteration or other work, without being deemed to be a trespasser. All costs incurred, together with the interest at the fixed rate of 1.5% per month, shall be treated as an Assessment.

14. **Contractors.** Any contractor, subcontractor, agent, employee, or other invitee of an Owner who fails to comply with the terms and provisions of this Declaration may be excluded by the Developer, ARC or Management Committee from the Subdivision, subject to the notice and the opportunity to be heard. In the event of sanctions after notice and hearing, neither the Developer, Association, Management Committee and ARC, or their officers or directors shall be held liable to any person for exercising the rights granted by this Section.

15. **Standing.** In addition to the foregoing, the Developer and/or Management Committee acting for and in behalf of the Association shall have the authority and standing to pursue all legal and equitable remedies available to enforce the provisions of this Section and the decisions of the ARC.

16. **Use Restrictions and Nature of the Project.** The Lots are subject to the following use restrictions which shall govern both the architecture and the activities within the Subdivision:

a. **Private Residence.** No Lot shall be used except for residential purposes and all residents shall be obligated by the following requirements: no temporary structure including trailers, tents, shacks, garages, barns or other outbuildings shall be used on any Lot at any time. No Dwelling shall be rented on a seasonal basis or for hotel or transient use. Individual rooms may not be rented to separate persons. The initial term of any lease shall be at least six (6) months. All leases shall be in writing.

b. **Business Use.** No commercial Trade or Business may be conducted in or from any Dwelling unless: a) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the Dwelling; b) the business activity conforms to all zoning requirements for the Subdivision; c) the business activity does not involve persons coming onto the Subdivision who do not reside in the Subdivision or door-to-door solicitation of residents of the Subdivision; and d) the business activity is consistent with the residential character of the Subdivision and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Subdivision, as may be determined in the sole discretion of the Management Committee. Notwithstanding the foregoing, the leasing of a Dwelling shall not be considered a Trade or Business within the meaning of this subsection.

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

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

2) No motor vehicle or trailer, including but not limited to any car, automobile, truck, 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 driveway or Dwelling or to create an obstacle or potentially dangerous condition.

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

4) 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.

5) All garages shall be used primarily for the parking and storage of vehicles.

6) No automobiles, vans, sport utility vehicles, trucks, campers, motor homes, trailers, boats, watercraft, recreational, commercial, oversized or other vehicles shall be stored on streets or in front yards; provided, however, recreational, commercial, oversized or other motor vehicles may be stored on cement parking slabs in side yards so long as they are in running condition, regularly used and properly licensed.

7) Vehicles parked in violation of this Declaration may be immobilized, impounded or towed by the Management Committee or its designee without further notice and at the Owner's sole risk and expense.

d. Maintenance. All Lots and Dwellings shall be kept by the Owner in good repair and maintenance and in a clean, safe, sanitary and attractive condition.

e. Garbage and Refuse Disposal. No Lot shall be used as a dumping ground. All trash, garbage, debris, rubbish or other waste shall be kept in a sanitary container, stored out of sight except for a twenty-four (24) hour period on pick-up days.

f. Aerials, Antennas, and Satellite Systems. No aerials, antennas, satellite dishes or systems shall be erected, maintained or used in, on or about any Dwelling, outdoors and above ground, whether attached to or on top of any building, structure, Dwelling, or otherwise, within the Subdivision without the prior written consent of the Developer or ARC, which shall not be unreasonably withheld. In making its decisions, the Developer and/or ARC shall abide by and be subject to all relevant local, state and federal laws, including but not limited to all FCC guidelines, rules and regulations as they may be amended or supplemented from time to time. Insofar as is reasonably possible without impairing reception, satellite dishes, aerials and antennae shall be positioned so that they are screened from view from the street.

g. Animals and Pets. The keeping of animals other than those ordinarily kept as family pets within the Subdivision is forbidden. The total number of family pets shall be limited to three (3). Residents with a pet or pets shall abide by the pet rules and regulations adopted, amended or supplemented by the Management Committee from time to time. No pets, animals, livestock or poultry of any kind shall be bred in, on or about the Project. Residents with pets outside their Lots shall keep them on a leash and under their control at all times, and shall clean up immediately after their pets. Pets which constitute a nuisance will not be tolerated in the Subdivision and for purposes of this subsection, pets outside a Lot without a leash or not under control or whose owners do not immediately clean up after them, or dogs who bark, howl, whine or scratch unreasonably shall be deemed to be a nuisance.

h. Signs. No signs, billboards or advertising structures may be built or displayed on any Lot except for a single sign with a maximum size of two feet by three feet (2' x 3') for specific purpose of advertising the sale of a

Dwelling. Please note this requirement does not relate to the Developer, the initial builder or builders of Dwellings of the Subdivision or their assigns, who may use whatever signs they deem appropriate to market the Lots.

i. Zoning. All land use and buildings shall be in compliance with all zoning and land use ordinances as well as all regulations of the municipalities and agencies governing the Subdivision land use and buildings.

j. Landscaping. All landscaping, grading and drainage of the land in each Lot shall be completed in accordance with the Landscaping Guidelines and so as to comply with and not impair all flood control requirements of the Subdivision and the other Lots.

k. Easements. Easements and rights of way for the installation and maintenance of utilities, drainage systems and facilities, and irrigation are reserved, as set forth herein and in the legal descriptions of the Property. Within these easements and rights of way, no structure, planting or other materials shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in, on or about the easements and rights of way, or which may obstruct or retard the flow of water through the drainage channels in the easements and rights of way. The easement and right of way area of each Lot and all improvements within said area shall be maintained continuously by their Owners, excepting those improvements for which a public authority or utility company is expressly responsible.

l. Slope and Drainage Control. No structure, plant, improvement or other material may be placed or permitted to remain, or other activities undertaken which may damage or interfere with established Lot ratios, create erosion or sliding problems, or which may change the direction or flow of drainage channels, or obstruct or retard the flow of water through the channels. The slope control area of each Lot and all improvements therein shall be maintained continuously by the Owner of the Lot, excepting those improvements for which a public authority or utility company is expressly responsible. It shall be the responsibility of the Owner to see that his Lot conforms with and continues to conform with any established grading and drainage plan that has previously been designed by the Developer.

m. Nuisances. No noxious or offensive activity shall be carried on, in or about the Property, nor shall anything be done or permitted thereon which may be or may become an annoyance, disturbance, bother or nuisance to the neighborhood, or which might interfere with the right of other residents to the quiet and peaceful enjoyment of their property.

n. Temporary Structures. No structure of a temporary nature or character, including but not limited to any trailer, shack, shed, tent, garage, barn or other out-building shall be used on any Lot at any time as a residence.

17. Mandatory Association of Lot Owners. All Owners shall belong to the Association.

18. Management Committee. The Association shall be operated and controlled by a Management Committee which shall consist of the three (3) persons duly appointed or elected.

19. Voting. Each Owner shall have one (1) vote.

20. Voting Restrictions. The following restrictions apply to voting on Association issues, including but not limited to the election of Committee Members: (a) No vote shall be cast or counted for any Lot not subject to Assessment; (b) When more than one (1) person or entity owns or holds an ownership interest in a Lot, the vote for such Lot shall be exercised as those persons or entities themselves determine and advise the Secretary of the Association prior to any meeting. In the absence of such advice, the vote of the Lot shall be suspended in the event more than one person or entity seeks to exercise it; (c) If an Owner has leased his Dwelling, then he may, in the lease or other written instrument, assign the voting right appurtenant to that Lot to his tenant, provided that a copy of such instrument is furnished to the Secretary of the Association prior to any meeting; and (d) The right of the Management Committee to suspend an Owner's right to vote if he is not current on the payment of his Assessments or is in material violation of any of the terms, covenants or provisions set forth herein.

21. **Composition of the Management Committee.** The Developer shall have the exclusive right to appoint all of the members of the Management Committee until the occurrence of the Events described in Section 22 below. Thereafter, the members shall be Owners duly elected and qualified at the annual meeting of the Association.

22. **Transition of Management.** Management and control of the Association and/or ARC (subject to the perpetual right of the Developer to appoint one (1) member of the Management Committee), shall be transferred to the Owners upon the happening of the following events, whichever first occurs (herein referred to as the "Event" or "Events"):

a. Within forty-five (45) days after the date by which One Hundred Percent (100%) of the Lots, on which a Dwelling has been constructed and a certificate of permanent occupancy has been issued, have been sold or rented; or

b. At such time as the Developer elects in writing to transfer management and control of the Association and/or the ARC to the Owners.

23. **Members of Management Committee.** The initial members of the Management Committee shall be Ellis R. Ivory, Clark D. Ivory and Christopher P. Gamvroulas. Anything to the contrary notwithstanding, one (1) person designated by the Developer shall always remain a member of the Committee if Developer so desires. Provided, however:

a. **Terms.** Management Committee Members shall be elected or appointed to serve two (2) year terms.

b. **Qualify.** To qualify to serve on the Management Committee, a person must either be appointed by the Developer or an individual Owner or the legal representative of an organizational Owner in good standing.

c. **Vacancies.** Any vacant seat on the Management Committee shall be filled with an Owner duly qualified, elected or appointed.

d. **Dismissal.** Any member of the Management Committee who fails on three (3) successive occasions to attend Committee meetings (whether regular or special) or who has failed to attend at least twenty-five percent (25%) of all Committee meetings (whether regular or special) held during any twelve (12) month period shall automatically forfeit his seat. In such cases, the remaining Committee Members shall elect a replacement to sit on the Committee until the next meeting of the Association.

e. **Removal of a Member of the Management Committee.** Except for members of the Management Committee appointed by the Developer prior to the occurrence of the Events, members of the Committee may be removed at any time by the affirmative vote of at least a majority of the Owners.

f. **Replacement.** Unless a member of the Management Committee is removed by the affirmative vote of a majority of the Owners, he shall be replaced by an appointment of the remaining members of the Committee. A member of the Committee removed by the affirmative majority vote of the Owners shall be replaced by the majority vote of those Owners present in person or by proxy at a special meeting called for that purpose. Anything to the contrary notwithstanding, the Developer shall be entitled to replace all members of the Committee appointed by it.

g. **Completion of Term.** Unless he forfeits or otherwise loses his seat as herein provided, a member shall serve on the Management Committee until his successor qualifies and is properly elected by the Owners or appointed by the Developer.

h. **No Compensation.** Members of the Management Committee shall not be compensated for their services but shall be reimbursed for all expenses reasonably incurred in connection with Committee business and

approved by the Committee.

24. Officers and Agents of the Association. The Management Committee is the agent of the Association and it shall perform its functions through those members of the Committee elected as officers. All officers shall be elected by the members of the Committee. The Committee may also perform its duties through such agents or employees as the Committee may employ or appoint. Any Committee officer, agent, or employee may at any time be removed, with or without cause, by the affirmative vote of a majority of the members of the Committee; provided, however, any "officer" so removed shall continue to be member-at-large of the Committee. One (1) member may hold more than one (1) office at the same time, except that of President and Secretary. The officers of the Committee, and their respective powers and functions, shall be as follows:

a. President. The President shall be the chief executive of the Association and shall exercise general supervision over the property and affairs of the Association. The President shall preside over all meetings of both the Management Committee and the Association. The President shall execute all instruments on behalf of the Committee, unless he chooses to delegate that authority to another Committee member.

b. Vice-President. The Vice-President shall have all the powers of the President in the event of the latter's absence or inability to act.

c. Secretary. The Secretary shall keep minutes of all of the meetings of both the Management Committee and the Association as well as all other books and records which are required or made necessary.

d. Treasurer. The Treasurer shall have custody and control of the funds available to the Committee. Common funds must be deposited in a federally insured institution or account. The Treasurer shall cause to be prepared an annual financial statement for each fiscal year of Project operation. The financial books and records of the Association shall be kept in accordance with generally accepted accounting practices. The offices of Secretary and Treasurer may be held by the same Committee member.

25. Status and General Authority of Committee. Any instrument executed by an officer of the Association or the Management Committee that recites facts which, if true, would establish the power and authority to accomplish through such instrument what is purported to be accomplished thereby, shall conclusively establish said power and authority in favor of any person who in good faith and for value relies upon said instrument. The Association shall constitute a legal entity capable of dealing in its own name or in the name of the Management Committee. The Management Committee shall have, and is hereby granted, the following authority and powers:

a. To Enter. The power and authority to enter into or upon any Lot to make repairs and to do other work necessary for the proper maintenance and operation of the Subdivision or to enforce the decisions of the ARC. Except in the case of an emergency, residents shall be given at least twenty-four (24) hours prior notice before the Management Committee or its representative shall exercise this power. In the event of an emergency, entry without notice, the party entering a Lot shall leave in a conspicuous place written notice stating his name and title as well as the day, date, time and purpose of the entry.

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

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

d. Enter Into Contracts. The authority to enter into contracts which in any way concern the Association.

e. Promulgate Rules. The authority to promulgate such reasonable rules and regulations as may be necessary or desirable to aid the Management Committee in carrying out any of its functions.

f. Delegation of Authority. The power and authority to delegate its duties, in whole or in part, to a manager or management company.

g. Payment of Common Expenses. The power and authority to pay the costs and expenses of operating the ARC, maintaining the Subdivision and managing the affairs of the Association.

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

Anything to the contrary notwithstanding, while Developer controls the Association and before the occurrence of the Events described in Section 22 above, the Developer shall have all of the power and authority delegated to the Management Committee and any amendments to the Declaration must be approved in writing and in advance by the Developer

26. Owner's Meetings. The Members of the Association shall meet as follows:

a. Annual Meeting. The annual meeting of the Owners shall be held at 7:00 p.m. on the second Thursday of February of each year unless otherwise determined by the Management Committee. Whenever such day is a legal holiday, the meeting shall occur on the first business day thereafter. At least ten (10) but not more than thirty (30) days before the date of the annual meeting, a written notice thereof shall be delivered in person or mailed by regular U.S. Mail, postage prepaid, to each person who appears as an Owner at his last known address as shown on the books and records of the Association. The notice shall state the day, date, time, place, and general purpose of the meeting.

b. Special Meetings. Special meetings of the Association may be called at any time by the Management Committee or by Owners who collectively hold at least thirty percent (30%) of the total vote. Such meeting shall be held at such place as the Committee may specify and the notice thereof, which must be sent by the Committee, shall state the day, date, time, place and matters to be considered at the meeting. No items other than those expressly set forth in the notice may be addressed at the special meeting.

c. Waiver of Notice. No notice of any Association meeting shall be required if a waiver of such notice is signed by all of the Owners. Whenever all of the Owners meet in person or by proxy such meeting may not be challenged on grounds of inadequate notice.

d. Quorum. The presence of a majority of the Owners entitled to cast a vote shall constitute a quorum for the transaction of business at any Association meeting.

(1) Quorum Not Present. If a quorum is not present at any Association meeting, whether regular or special, the meeting may be adjourned and rescheduled for a time no earlier than forty-eight (48) hours and no later than thirty (30) days, after the time set for the original meeting.

(2) Quorum at Rescheduled Meeting. Those Owners present at the rescheduled meeting shall constitute a quorum.

(3) Percentage Approval Requirement. Anything to the contrary notwithstanding, in any instance in which this Declaration requires the affirmative vote of a certain number of Owners for authorization or approval of a matter, their written consent, in person or by proxy, is required for authorization or approval of the item, regardless of the quorum requirements.

27. Common Profits, Expenses and Voting Rights. The common profits of the Association shall be distributed among, the Common Expenses shall be charged, and the voting rights shall be allocated to the Owners equally. Each Owner, upon receipt of a deed or other document of conveyance or transfer to a Lot, agrees to and shall

pay his portion of the Common Expenses or any other Assessment levied against him or his Lot, including any fines resulting from a violation of the Declaration or any rule or regulation adopted by the Management Committee.

a. Developer. Anything to the contrary notwithstanding, the Developer shall not be obligated to pay Assessments on any Lots owned by it until such time as the occurrence of the earlier of the following:

- 1) the physical Dwelling structure on the Lot has been substantially completed, a certificate of permanent occupancy has been issued, and the Lot has been sold or rented; or
- 2) the Developer elects in writing to pay the Assessment.

b. Purpose of Common Expenses. The Assessments provided for herein shall be used for the general purpose of operating the Association and funding the ARC.

c. Budget. At least thirty (30) days prior to the annual meeting of the Association, the Management Committee shall prepare and deliver to the Owners a proposed Budget which:

- 1) Itemization. Shall set forth an itemization of the anticipated Common Expenses for the twelve (12) month calendar year, commencing with the following January 1.
- 2) Basis. Shall be based upon advance estimates of cash requirements by the Committee to provide for the payment of all estimated expenses growing out of or connected with the management of the affairs of the Association or funding of the ARC.

d. Approval of Budget and Assessments. The proposed Budget and the Assessments shall become effective unless disapproved at the annual Association meeting by the affirmative vote of a majority of the Owners. Notwithstanding the foregoing, however, if the Owners disapprove the proposed Budget and Assessments or the Committee fails for any reason to establish the Budget and Assessments for the succeeding year, then and until such time as a new Budget and Assessment schedule shall have been established, the Budget and Assessment schedule in effect for the then current year shall continue for the succeeding year.

e. Method of Payment of Assessments. The Management Committee has the sole authority and discretion to determine how and when any Assessment is to be paid.

f. Personal Obligation of Owner. Each Owner is personally liable to pay all any Assessment levied by the Management Committee against him or his Lot; provided, however, no first mortgagee or beneficiary under a first deed of trust who obtains title to a Lot pursuant to the remedies provided in the mortgage or trust deed shall be liable for unpaid Assessments which accrued prior to the acquisition of title.

g. Equitable Changes. If the aggregate of all monthly payments on all of the Lots is too large or too small as a result of unanticipated income or expenses, the Management Committee may from time to time effect an equitable change in the amount of said payments. Owners shall be given at least thirty (30) days prior written notice of any increase in the amount of the Assessment.

h. Reserve Account. The Committee shall establish and maintain a reserve account to pay for unexpected operating expenses and capital improvements.

i. Statement of Assessments Due. Upon written request, the Management Committee shall furnish to any Owner a statement of Assessments due, if any, on his Lot. Failure to provide the certificate within ten (10) days after a written request, shall be deemed conclusive evidence that all Assessments are paid current. The Committee may require the advance payment of a processing charge not to exceed Fifteen and No/100ths Dollars (\$15.00) for the issuance of such certificate.

* * *
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j. Superiority of Assessments. All Assessments and liens created to secure the obligation to pay an Owner's share of the Common Expenses are superior to any homestead exemptions to which an Owner may be entitled, which exemptions each Owner, by accepting a deed or other document of conveyance or transfer to a Lot, expressly subordinates or waives.

28. Special Assessments. The Management Committee, with the affirmative consent or approval of at least a majority of the Owners, may levy a Special Assessment to pay for unanticipated expenses, an operation's budget shortfall or any capital improvement.

29. Fines and Individual Assessments. The Committee may fine Owners and residents for the failure to comply with the Declaration or any rules and regulations adopted from time to time. In addition, individual assessments may be levied by the Committee against a Lot or its Owner to compensate or reimburse the Association for:

- a. costs incurred in enforcing or construing the Declaration;
- b. costs associated with the maintenance, repair or replacement of any portion of the Entry, Entry Monument or Parkstrip;
- c. any other charge, fee or expense designated by the Management Committee as an individual assessment; and
- d. attorney's fees, late fees, default interest and collection costs.

Provided, however, no fine or individual assessment shall be final until after the Owner or resident shall have received written notice thereof and a reasonable opportunity to be heard. After notice and hearing, the decision of the Management Committee shall be binding, final and conclusive.

30. Collections. The amount of Common Expenses assessed against each Lot and each Assessment is a debt of the Owner at the time the Assessment is made and is collectible as such. Suit to recover a money judgment for unpaid Common Expenses or Assessments is maintainable without foreclosing or waiving the lien securing it. If any Owner fails or refuses to make any payment of the Common Expenses or Assessment when due, that amount constitutes a lien on the interest of the Owner in the Property, and upon the recording of notice of lien, it is a lien upon the Owner's interest in the Property prior to all other liens and encumbrances, recorded or unrecorded, except:

- 1) tax and special assessment liens on the Lot in favor of any assessing unit or special improvement district; and
- 2) encumbrances on the interest of the Owner recorded prior to the date such notice is recorded which by law would be a lien prior to subsequently recorded encumbrances.

A late fee in the amount of Twenty-five and No/100ths Dollars (\$25.00) or Five percent (5%) of the delinquent amount, whichever is greater, shall be assessed on payments received more than ten (10) days after their due date. Simple interest at the rate of One and ½ percent (1.5%) per month shall accrue on all delinquent accounts. The Committee may, in its sole discretion and under circumstances it deems fair and just, elect to waive late fees and accruing interest but is not required to do so.

31. Insurance. If reasonably available, the Management Committee may elect to purchase adequate liability and property insurance, directors and officers insurance and/or a fidelity bond.

32. Interpretation. To the extent Utah law is consistent with this Declaration, such provisions shall supplement the terms hereof and are incorporated herein. The captions which precede the Articles and Sections of this Declaration are for convenience only and shall in no way affect the manner in which any provision hereof is construed. Whenever the context so requires, the singular shall include the plural, the plural shall include the singular, the term "shall" is mandatory and the

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term "may" is permissive, the whole shall include any part thereof, and any gender shall include both other genders. The invalidity or unenforceability of any portion of this Declaration shall not affect the validity or enforceability of the remainder hereof.

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

34. Enforcement and Right to Recover Attorney's Fees. Should the Association, Committee or an aggrieved Owner be required to take action to enforce or construe the Declaration or any rules and regulations adopted from time to time, or to pursue any remedy provided hereunder or by applicable law, including a claim for injunctive relief or damages, whether such remedy is pursued by filing suit or otherwise, the non-defaulting party shall be entitled to recover his reasonable attorney's fees, costs and expenses which may arise or accrue.

35. Limitation of Liability. The protective covenants, conditions and restrictions set forth in this Declaration, together with any rules and regulations adopted by the Management Committee or ARC, are established for the benefit of the Property and the Owners. Any damage, loss, claim or liability which might arise due to any decision, act, or failure to act of Developer or the Committee or any of its members shall be exempt from any civil claim or action, including negligence, brought by any person owning or having an interest in any Lot. The Committee and its members shall be indemnified, saved and held harmless from any such action or failure to act, and exempt from any civil claim or action resulting from any act or failure to act (whether intended or implied) while functioning as a member of the Management Committee or ARC, or for decisions that they may render during the course of their service, unless said party is guilty of gross negligence.

36. Preservation of Park Area. A portion of the land within the Subdivision is or has been designated as a preservation or park area on the Map. This area is or will be owned by the State of Utah and is or will be maintained by Taylorsville City or its designees. The preservation or park area shall be subject to certain use restrictions and guidelines as they may be adopted or amended from time to time by the city. No alterations may be made to the preservation and park area, nor may any improvements be constructed or installed therein without the express prior written consent of both the ARC and the state or its agents.

37. Maintenance of the Entry, Entry Monument and Parkstrip. Maintenance, repair and replacement of the entry, entry monument and parkstrip shall be the responsibility of the Association, the cost of which shall be a Common Expense.

38. Maintenance of the Temporary Retention Basin. Lot No. 9 of TAYLORS PARK Subdivision have been designated as a temporary storm drain retention facility. The Association shall maintain the facility in compliance with all Taylorsville City and Salt Lake County health regulations until such time as the Lots are improved and Dwelling Units are constructed thereon or until such time as the storm drain system is connected to the main storm drain system, whichever first occurs.

39. Amendments. This Declaration may be amended upon the affirmative written approval of at least a majority of the Owners of the Lots and shall be valid immediately upon recording of the document amending the Declaration in the office of the County Recorder of Salt Lake County, Utah; provided, however, so long as the Developer shall own at least one (1) Lot in the Subdivision, no amendment shall be valid or enforceable without Developer's prior written consent.

40. Duration. The covenants and restrictions of this Declaration shall endure for a term of twenty (20) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods

of ten (10) years.

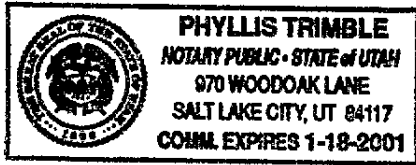
Dated the day and year first above written.

DEVELOPER:
IVORY HOMES, a Utah limited partnership

By: *Ellis R. Ivory*
Title: Ellis R. Ivory, General Partner

STATE OF UTAH)
 :ss.
COUNTY OF SALT LAKE)

The foregoing instrument was acknowledged before me the 14th day of May, 1998, by Ellis R. Ivory, as General Partner of Ivory Homes, a Utah limited partnership.



Phyllis Trimble
Notary Public

EXHIBIT "A"
LEGAL DESCRIPTION

The Property referred to in the foregoing document is located in Salt Lake County, Utah and is described more particularly as follows:

All of lots 1 through 24 of the Taylors Park PUD Subdivision, according to the Official Plat thereof, as entry 6889541, Book 98-3P at page 46, and, all of lots 1 through 39 of the Taylors Cove PUD Subdivision according to the official plat thereof, as entry 6889540, book 98-3P at page 45.

EXHIBIT "B"
LANDSCAPE GUIDELINES

Recommended Plant List

Shade trees

Acer platanoides	Norway Maple
Acer platanoides 'Schwedleri'	Schwedler Maple
Fraxinus pennsylvanica	Green Ash
Gleditsia triacanthos inermis	Thornless Honeylocust
Platanus acerifolia	London Plane
Tilia cordata	Littleleaf Linden

Accent trees

Albizia julibrissin	Silk Tree
Cercis canadensis	Eastern Redbud
Crataegus laevigata	Common Hawthorn
Crataegus phaeocoryna	Washington Thorn
Populus tremuloides	Quaking Aspen
Prunus cerasifera	Flowering Plum
Prunus serrulata	Flowering Cherry
Pyrus calleryana	Flowering Pear
Robinia idahoensis	Idaho Locust

Tall Shrubs

Cornus stolonifera	Red Osier Dogwood
Cotoneaster acutifolia	Peking Cotoneaster
Cotoneaster divaricata	Spreading Cotoneaster
Euonymus japonica 'Grandiflora'	Grand Euonymus
Forsythia suspensa	Weeping Forsythia
Ilex aquifolium 'Boulder Creek'	Boulder Creek Holly
Photinia fraseri	Fraser Photinia
Syringa spp.	Lilac
Viburnum burkwoodii	Burkwood Viburnum
Viburnum rhytidophyllum	Leatherleaf Viburnum

Medium Shrubs

Berberis buxifolia nana	Dwarf Magellan Barberry
Berberis thunbergii 'Atropurpurea'	Red Japanese Barberry
Buxus microphylla japonica 'Compacta'	Compact Japanese Boxwood
Cotoneaster spiculata	Cranberry Cotoneaster
Euonymus alatus compacta	Dwarf Burning Bush
Euonymus japonica 'microphylla'	Boxleaf Euonymus
Juniperus spp.	Juniper
Ligustrum vulgare 'Lodense'	Lodense privet
Mabonia aquifolium 'compacta'	Compact Oregon Grape
Pinus mugo mughus	Dwarf Mugo Pine
Prunus laurocerasus 'Otto Luyken'	Otto Luyken Laurel
Taxus baccata repandens	Spreading English Yew
Viburnum opulus nana	Cranberry Bush

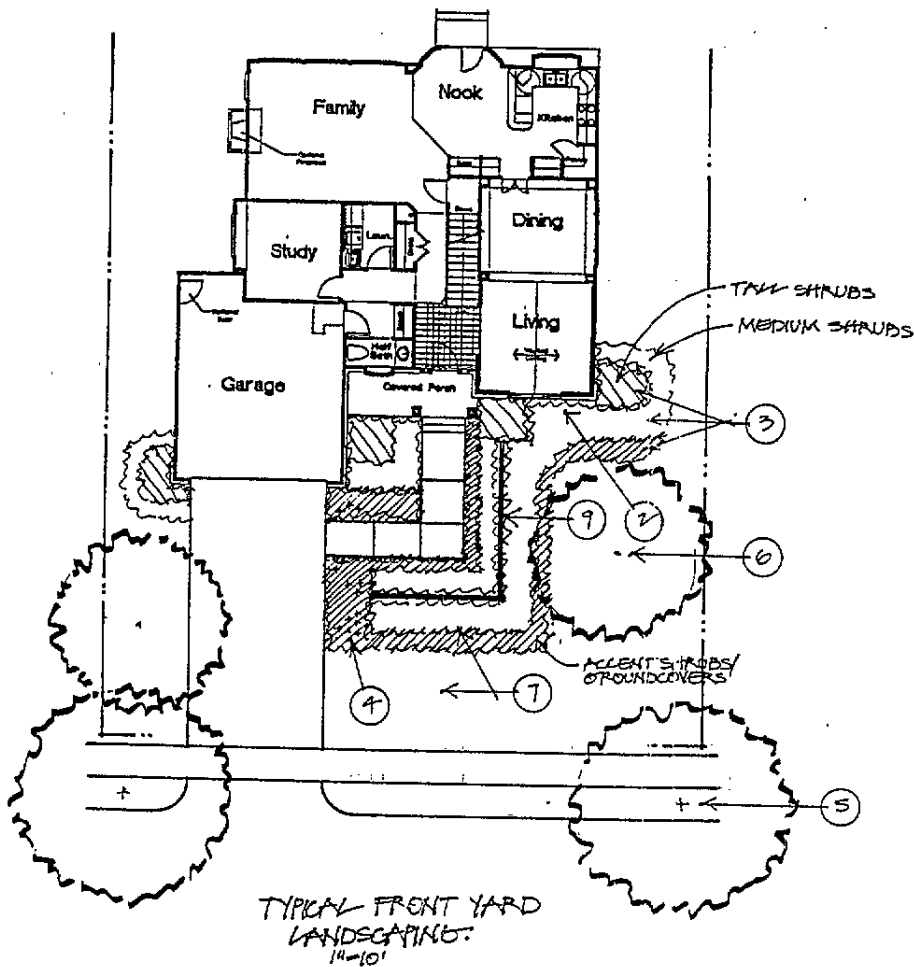
Accent shrubs

Bergenia crassifolia	Leatherleaf Bergenia
Daphne genkwa	Garland Daphne
Erica carnea	Spring Heath
Festuca ovina 'glauca'	Blue Fescue
Hemerocallis spp.	Daylily
Hosta undulata	Wavy-leafed Plantain Lily
Martynia speciosa	Ostrich Fern
Pennisetum setaceum	Fountain Grass
Spiraea bumalda 'Anthony Waterer'	Dwarf Red Spirea
Teucrium chamaedrys	Germander

Groundcovers

Ajuga reptans	Carpet Bugle
Asperula odorata	Sweet Woodruff
Cerastium tomentosum	Snow-in-summer
Cotoneaster salicifolia 'repens'	Willowleaf Cotoneaster
Euonymus fortunei 'Colorata'	Purpleleaf Wintercreeper
Hypericum calycinum	Creeping St. Johnswort
Mahonia repens	Creeping Oregon Grape
Pachysandra terminalis	Japanese Spurge
Sedum spuriatum 'Dragon's Blood'	Dragon's Blood Sedum
Thymus praecox arvensis	Creeping Thyme
Vinca minor	Dwarf Periwinkle

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TYPICAL FRONT YARD LANDSCAPING:
14'-10"

Landscape Guidelines

The Homeowner shall install front yard landscaping consistent with the following guidelines:

1. Plant materials should be selected from the recommended plant lists.
2. Landscaping should include foundation plantings. Foundation walls exposed three (3) feet high or more should be planted with at least one row of "tall shrubs".
3. Plantings should be "layered", i.e., taller shrubs planted behind lower shrubs and groundcovers.
4. The use of perennial flowers is encouraged.
5. The street trees planted by the developer shall be kept in place and maintained by the homeowner.
6. Front yard trees should be selected from the "Accent trees" list.
7. Front yards should consist of a variety of lawn, shrubs, and groundcovers.
8. Grass lawns should be used. No substitution of alternate groundcover materials, such as gravel, shall be permitted.
9. Courtyard fences, not to exceed four (4) feet in height, or other such features are encouraged to provide variety and interest.

17 OCT. 1977

Front Yard Landscape Guidelines

**Taylor's Cove
Taylor's Park**

Taylor'sville, Utah

Ivory Homes
970 Woodoak Lane
Salt Lake City, Utah

R. MICHAEL KELLY
CONSULTANT
LAND-PLANNER
P.O. BOX 449 - MELLVILLE, UTAH 84138
801-733-7373

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