

**DECLARATION OF PROTECTIVE COVENANTS
CONDITIONS AND RESTRICTIONS FOR
OSTERGAARD ESTATES PLAT "B"**

ST 5020

The undersigned is the owner of the real property ("property") in the County of Utah, State of Utah, described as:

OSTERGAARD ESTATES PLAT "B"

The property presently consists of 10 lots which have been recorded (Entry# 53798-2011).

The undersigned has deemed it desirable to provide a general plan for the development of all of the property and for the establishment of covenants upon the property for the purpose of enhancing and protecting the value and attractiveness of the property.

Title to all of the lots located within the property may be sold only subject to these protective covenants, conditions and restrictions as set forth below.

The undersigned hereby covenants, agrees and declares that all of the lots and property described above and such additions thereto as may hereafter be made shall be held, sold and conveyed subject to the following covenants, conditions and restrictions which are hereby declared to be for the benefit of all of the property and the owners thereof, their successors and assigns. These covenants, conditions and restrictions shall run with the property and shall be binding upon all parties having or acquiring any right, title or interest in the property or any lot or part thereof and shall inure to the benefit of each owner thereof.

ARTICLE I
DEFINITIONS

The following terms used in these covenants, conditions, and restrictions shall be applicable to this Declaration and are defined as follows (lot 8 is exempt to the extent that the existing dwelling does not comply):

Section 1. "Lot" shall mean and refer to a recorded lot within the existing property upon which there has been or will be constructed a single family dwelling.

Section 2. "Owner" shall mean and refer to the record owners, whether one or more persons or entities, of a fee simple title to any lot which is a part of the property, including contract buyers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Committee" shall mean and refer to the Ostergaard Estates Development Committee. See Article III

ARTICLE II
ARCHITECTURAL CONTROL

Section 1. Dwelling Quality and Size. Lot 8 Shall be exempt because existing home may not comply with dwelling quality and size described hereafter. No lot shall be used except for residential and related purposes. No building shall be erected, altered or permitted to remain on any lot other than one (1) single family residence not to exceed two stories in height and a private garage for not less than two nor more than four vehicles; detached accessory building may also be approved by the architectural committee (see Section 9b). The minimum area above ground, excluding garages and porches; of a single-level dwelling (Rambler) shall be one thousand two hundred (1,200) square feet. The minimum area above ground, excluding garages and porches of a two- story dwelling shall be one thousand six hundred (1,600) square feet. A split-level design may be proposed to the architectural committee that has a minimum finished area of one thousand four hundred (1,400) square feet. A one and one-half design (Bonus Space) shall follow the same minimum requirements as the single-level dwelling (Rambler) set forth above with only the main floor area (excluding bonus space) being considered as above ground area; bonus space will not be included in the minimum area above ground. Log homes, solar homes, or subterranean homes or buildings are not permitted. All dwellings shall be built according to the minimum architectural guidelines as outlined in Section 9. The architectural design will be as equally important as the size.

Section 2. Building Location. Any and all Structures located on the Lot shall be located within the building envelop as defined in the Final Plat and/or as defined by City Ordinance. Owners are encouraged to use offsets of greater than what is specified on the Final Plat and/or City Ordinance if the Lot can accommodate such.

Section 3. Moving of Structures. No structure of any kind shall be moved from any other place to the property without written approval of the Committee.

Section 4. Temporary Structures. No trailer, basement, tent, or shack or other outbuilding shall be placed upon or used at any time within the property as a temporary or permanent residence.

Section 5. Completion of Building. Once construction of a dwelling or any other structure has begun, work thereon must be carried out diligently and completed within twelve (12) months of the date of commencement.

Section 6. Landscaping. Owner shall complete minimum landscaping improvements of the front yard area and side yard area facing a street for corner lots within 30 days of the date that certificate of occupancy from the City is issued. Front yard shall be landscaped at least from sidewalk to front corners of home. Side yard, adjacent to street, shall be landscaped from sidewalk to back corner of home. Landscape improvements shall include at a minimum an automated sprinkler system and grass (sod, hydro-seed or equivalent). Owners are encouraged to

use a variety of trees, shrubs, and bushes that beautify the yard and overall appearance of the neighborhood. Trees, shrubs and bushes that produce obnoxious seeds, weeds or unwanted fruit shall not be permitted. Marble chips, volcanic rock, or high contrast stone patters (i.e., red, green, bright white, etc.) shall not be allowed.

If weather conditions or other conditions deemed reasonable by the Committee exist that prevent the installation of landscaping, the Owner shall place in escrow (or equivalent substitute) four thousand dollars (\$4,000) to be held as security for completion of landscaping. In the event that landscaping is not completed within 6 months after certificate of occupancy, the architectural committee may draw said funds to complete the required landscaping. The place where funds may be placed in escrow or equivalent substitute to escrow shall be approved by the architectural committee on a case by case basis.

Section 7. Compliance with Applicable Zoning Ordinances. All structures within the property shall be built, occupied and used in accordance with the provisions of Orem City Zoning Ordinances.

Section 8. Committee Approval Required. No building or structure, including, but not limited to, shed, tennis court or swimming pool, shall be erected, remodeled or placed on the property without the prior written approval of the Committee as to location, height, design and harmony with existing structures and in compliance with the covenants, conditions and restrictions set forth herein.

Section 9. Architectural Guidelines. The following architectural guidelines shall apply to all the lots in the property affected thereby (with the exception of lot 8 which is exempt from the requirements because existing home may not comply with all architectural guidelines):

(a) Harmony of Exteriors: Exterior material of all dwellings shall consist of hard-surface materials namely brick, stucco, stone, LP siding or masonry lap siding. Other hard-surface materials may be presented to the Committee for review to be approved for use of an exterior material. Aluminum and vinyl siding are not permitted. The roofing material shall be architectural-grade composition shingles, or tile roofs approved by the Committee. The use of natural earth tones will be encouraged, along with the use of stone materials.

(b) Detached Accessory Buildings: A detached accessory building may be permitted and shall be subject to all the covenants, conditions, and restrictions imposed by Article II hereof. The detached accessory building shall compliment in design and composition the dwelling placed on the premises and in no event shall such accessory building be permitted with a height greater than the dwelling itself. The design and site plan of such accessory building shall be submitted to the Committee for approval prior to obtaining a building permit and commencing construction of such accessory building.

(c) Roof Lines: Roof Lines must be kept at a 6/12 slope or greater, unless special permission is given by the Committee upon review of plans, specifications and Lot location.

- (d) Retaining Walls: All retaining walls must be approved by the Committee.
- (e) Fences: No privacy fences shall be allowed in front of the dwelling.
- (f) Garages and Driveways: Every dwelling must have a minimum of a two (2) car garage and a driveway leading thereto large enough to accommodate two cars parked side-by-side. Three (3) car garages are strongly encouraged.
- (g) Prohibitions against Soil Erosion and Runoff; Existing Swells. It shall be the responsibility of the property owner to direct site work relative to the lot in such a manner as to minimize erosion and runoff. Construction shall be conducted in such a manner as to prevent the movement of earth materials or construction debris onto neighboring property or into the storm drainage system. Lot owners shall cause all construction to take place in a good and workmanlike fashion so as not to misuse the natural streams or drainage once constructed. All Owners are responsible to comply with State Storm Water Protection Criteria.

Section 10. Architectural Approval. No building or structure shall be erected, placed or altered on any lot until the construction plans and specifications and a plan showing the location of the structure upon the lot have been approved by the Committee as to quality of workmanship and materials, harmony of external design with existing structures, and elevation. All homes shall be traditional in style; traditional meaning homes with a Colonial, early American, Tudor, or French architecture. Homes with massive use of glass which resembles commercial buildings or ultra-contemporary/modern design, sub-terrestrial windows, and extreme use of wood will be discouraged. Any home with ultra-contemporary/modern architecture will be discouraged.

The approval or disapproval of any building or structure must be given in writing by the Committee. All decisions of the Committee shall be final and neither the Committee nor its designated representatives shall be subject to any liability thereof. Any errors or omissions in the design of any building or landscaping, or any violations of city or county ordinances are the sole responsibility of the owners and/or their designated architects. The Committee's review of plans shall in no way be construed as an independent review or opinion of the structural or mechanical adequacy or soundness of the building, and liability thereof. The Committee in its discretion shall be empowered to grant reasonable variances from the conditions and restrictions set forth in this Declaration.

ARTICLE III

Ostergaard Estates "B" Development Committee

Section 1. Membership. The Committee is comprised specifically of Bobby Patterson, Dave Cottle and Scott Dunn. Decisions of the Committee shall be by majority vote, and a majority of the Committee may designate a representative to act for it. The Committee may fill vacancies in the Committee and remove members thereof in its discretion; provided, however, that when ninety percent (90%) of the land comprising the saleable property has been

sold (either by deed or under contract of sale), then thereafter, upon designation by eighty percent of those who are owners (either in fee or by contract of purchase) of land comprising the property, of some person or persons whom such owners desire to make a member of said committee, the undersigned will appoint such person or persons to the Committee, and if necessary, will remove from said Committee existing members in order to create vacancies for the new appointments; provided further, however, that one person designated by the Undersigned shall always remain a member of said Committee if the Undersigned so desires. The functions of the Committee shall be, in addition to the functions set forth elsewhere in this Declaration, to pass upon, approve or reject any plans or specifications for structures to be erected on lots within the property, so that all structures shall conform to the restrictions and general plans of the Undersigned, and of the Committee, for the improvement and development of the entire property. Nothing in this paragraph shall be construed as authorizing or empowering the Committee to change or waive any restrictions which are set forth in this Declaration except as herein specifically provided. The Committee may act by any two of its members, and any authorization, approval or power made by the Committee must be in writing signed by at least two members.

Section 2. Enforcement. The **Committee or any owner or the successor in interest of any owner** shall have the right to enforce by proceedings at law or in equity all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration or any amendment thereto, including, but not limited to, the right to prevent the violation of any such restrictions, conditions, covenants or reservations and the right to recover damages for such violation.

ARTICLE IV GENERAL PROVISIONS

Section 1. Easements. For installation and maintenance of utilities and drainage facilities, areas, are reserved as shown on the recorded plat. Within these easements, 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 or flow of drainage channels in the area or which may obstruct or retard the flow of water through drainage channels in the easements. The easement area of each of the lots and all improvements in it shall be maintained continuously by the owner of the lot, except for those improvements for which a public authority or utility company is responsible.

Section 2. Nuisances. No noxious or offensive activity shall be carried on upon any of the property, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood. No storage of any articles which are unsightly in the opinion of the Committee will be permitted on or about the premises unless in enclosed areas built and designed for such purposes or otherwise kept out of view from the street. No automobiles, campers, motor homes, trailers, boats or other vehicles are to be stored on streets of front and side yards, only on a temporary basis and provided they are in running condition and properly licensed.

Section 3. Garbage and Refuse Disposal. The property shall not be used or maintained as a dumping ground for rubbish, trash, garbage or other waste, which shall not be kept except in sanitary containers. All refuse containers shall be kept in clean and sanitary condition. No unsightly material or objects are to be stored on any of the property in view of the general public.

Section 4. Horses; Other Livestock. Horses and Livestock not permitted. City ordinance shall control any other animals owners may consider keeping on the property.

Section 5. Satellite Dishes, Other Structures. Stand-alone satellite dishes, statues, fountains, and other similar items must be submitted for approval by the Committee.

Section 6. Construction Activities; Clean Up; Owner Liability; Cash Deposit. Each owner shall be fully responsible for clean up of all construction materials, debris, and refuse on the property resulting from construction activities undertaken with respect to his lot. Furthermore, each owner shall be liable for damages to curbs, gutters, drainage systems, and other common areas and to adjoining lots resulting from his acts or the acts of his contractors and workmen in performing construction activities on his lot.

Section 7. Severability. Invalidation of any one of these covenants, conditions or restrictions by judgment or court order shall in no wise affect any of the other provisions which shall remain in full force and effect.

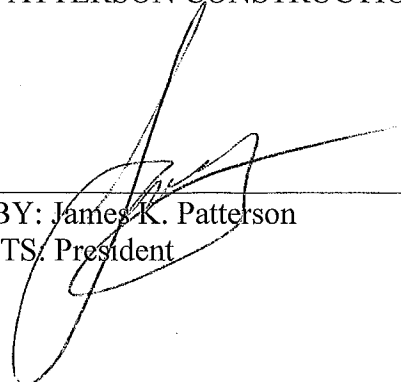
Section 8. No Recourse. The protective covenants, conditions and restrictions set forth in this Declaration, together with the Committee, are established for the benefit of the Sage Valley Plat B subdivision. Any damage, loss, claim or liability which might arise due to any decision, act, or failure to act of the Committee or any of its members shall be exempt from any civil claim or action brought by any signatories of this Declaration, or by any person owning or having an interest in any lot or property within the subdivision. The Committee and its members shall be 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 Committee or for decisions that they may render during the course of their service.

Section 9. Amendments to CCR's. The protective covenants, conditions and restrictions set forth in this Declaration, may be amended by majority vote of lot owners. Each Lot is entitled to one vote. The title owner at the time of voting to amend the CCR's is entitled to submit one vote for each lot owned (In-other-words, one owner may submit multiple votes if the owner is a title owner on multiple lots). Any amendments should be submitted to the architectural committee for review; the architectural committee shall then reasonably organize and schedule voting to take place in a lawful manor.

Dated this 16th day of January, 2012

PATTERSON CONSTRUCTION INC.

BY: James K. Patterson
ITS: President



State of Utah)
 ss:
County of Utah)

On the 16th day of January, 2012 personally appeared before me James K. Patterson, who is President of Patterson Construction, who being by me first duly sworn did say that he executed the foregoing instrument in behalf of Patterson Construction pursuant to authority vested in him.



Dave L. Cottle
Notary Public

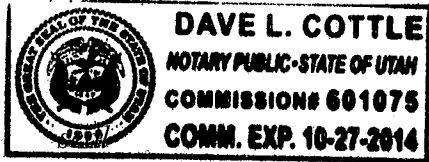
Dated this 16 day of January, 2012.

ROBERT PATTERSON

Robert Patterson

State of Utah)
 ss:
County of Utah)

On the 16th day of January, 2012 personally appeared before me Robert Patterson, being by me first duly sworn did say that he executed the foregoing instrument pursuant to authority vested in him.



Dave L. Cottle
Notary Public