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ANDREA ALLEN
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Lennar Homes of Utah, LLC
111 E Segoe Lily Drive, Suite 150
Sandy, Utah 84070

**AMENDED AND RESTATED DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS FOR
SILVER OAKS HOMEOWNERS' ASSOCIATION**

A Planned Development located in
Utah County, Utah

AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR SILVER OAKS HOMEOWNERS' ASSOCIATION

THIS AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR SILVER OAKS COMMUNITY ASSOCIATION (this "**Declaration**"), is made this 18 day of December, 2024, by LENNAR HOMES OF UTAH, LLC, a Delaware limited liability company ("**Declarant**"), and TPG AG EHC III (LEN) MULTI STATE 4, LLC, a Delaware limited liability company ("**AG**"). Unless specifically defined otherwise, all capitalized terms used herein shall have the meaning given to such terms in Section 1.3 below.

RECITALS

A. On or about April 29, 2024, Fig UT 1, LLC ("**Original Declarant**") caused to be recorded that certain Declaration of Covenants, Conditions, and Restrictions for Silver Oaks Homeowners' Association at Entry 27165:2024 in the records of the Utah County Recorder (the "**County Recorder**"), as amended by that certain First Amendment thereto recorded at Entry 52986:2024 (the "**Original Declaration**").

B. Prior to the date hereof, Declarant acquired all of the real property subject to the Original Declaration and, in connection therewith, received an assignment of all rights of Original Declarant pursuant to that certain Assignment and Assumption of Declarant Rights recorded at Entry 69016:2024. As of the date of this Declaration, Declarant continues to own all of the real property subject to the Original Declaration and this Objection, as such real property is more particularly described on Exhibit A attached hereto (the "**Property**").

C. Declarant conveyed the Property to AG and Declarant has an option to reacquire the Property pursuant to that certain Option Agreement dated November 12, 2024, entered into between AG and Declarant, as amended and as evidenced by that certain Memorandum of Option recorded at Entry 79496:2024 in the real property records of the County (the "**Option Agreement**").

D. Declarant desires to establish a planned development on the Property pursuant to the terms hereof and, in connection therewith, to amend and restate the Original Declaration in its entirety. Specifically, and for the avoidance of any doubt, the Property is hereby submitted, together with all buildings and improvements previously, now, or hereafter constructed, and all easements and rights appurtenant thereto, to a residential planned unit development consisting of residential Dwelling Units and related Common Areas pursuant to Utah Code §57-8a-101 et seq. that shall continue to be known as Silver Oaks (the "**Community**").

E. Declarant desires to ensure the attractiveness of the Community (as defined below), to prevent the future impairment thereof, to prevent nuisances, and to preserve, protect, and enhance the values thereof.

Declarant desires to specify an alternative dispute resolution process for addressing disputes in the Community that do not involve an imminent threat to the peace, health or safety of the Community, including a binding arbitration provision for specific situations as provided in Article 14 of this Declaration.

INTRODUCTION TO THE COMMUNITY

Declarant has created this Declaration to provide a governance structure and a flexible system of standards and procedures for the overall development, administration, maintenance, and preservation of the Community as a planned development.

ARTICLE 1 CREATION OF THE COMMUNITY

1.1 Purpose and Intent.

(a) Declarant intends by recording this Declaration to establish a general plan and scheme of development for the planned development known as Silver Oaks consisting of residential Lots and Common Areas (the “**Community**”). This Declaration provides for the Community’s overall development, administration, maintenance, and preservation.

(b) An integral part of the development plan is the creation of Silver Oaks Homeowners Association (the “**Association**”), an association comprised of all Owners of Lots in the community, to own, operate, manage, and/or maintain the Common Areas and community improvements, provide services for the benefit of the Lot Owners in the Community and to administer and enforce this Declaration and the other Governing Documents referenced in this Declaration. Declarant desires to form the Association as a nonprofit corporation to (a) own, manage and maintain the Common Areas, (b) levy, collect and disburse the Assessments and other charges imposed hereunder, (c) act as the agent and representative of the Owners in the Community and enforce the use restrictions and other provisions of this Declaration, and (d) subject to any limitations set forth in this Declaration, exercise the powers granted to Utah nonprofit corporations as an owners’ association under Utah law and under the Act.

(c) This document is prepared pursuant to the Utah Community Association Act, Utah Code §57-8a-101, et seq. (the “**Act**”).

1.2 Binding Effect. All property described in Exhibit A shall be acquired, held, owned, conveyed, and used subject to this Declaration. This Declaration shall run with the title to the Property and shall be binding upon all Persons having any right, title, or interest in any portion of the Property, their heirs, successors, and assigns, whether or not it is specifically referenced in the conveyance deed or instrument whereby such Person obtained such interest. Each and every provision of this Declaration shall run with and bind the Property in perpetuity. This Declaration may be terminated only in accordance with the termination procedures set forth in the Act. Nothing in this Section shall be construed to permit termination of any easement created in this Declaration without the consent of the holder of such easement. Except for the property described in Exhibit A, no property shall become subject to the terms and conditions contained in this Declaration unless such property is properly described in a Supplemental Declaration that is properly recorded in the County, and in no event shall any property other than the property described in Exhibit A be construed or deemed to be subject to this Declaration in any manner whatsoever until such recordation of such Supplemental Declaration. By the recording of this Declaration, the Original Declaration is hereby amended and restated in its entirety and all provisions thereof superseded hereby.

1.3 Definitions. The terms used in the Governing Documents shall generally be given their natural, commonly accepted definitions unless otherwise specified. Capitalized terms shall be defined as

follows:

(a) Agencies. The Government National Mortgage Association (GNMA), the Federal Home Loan Mortgage Corporation (FHLMC), the Federal National Mortgage Association (Fannie Mae), the Department of Housing and Urban Development (HUD), the Department of Veterans Affairs (VA) or any other governmental or quasi-governmental agency or any other entity which may perform functions similar to those currently performed by such entities.

(b) Allocated Interests. The votes in the Association and liability for Common Expenses allocated to each Lot. The Owners of each Lot shall be allocated one vote in the Association for each Lot owned. Subject to the provisions of Article 4 below, allocations of Common Expenses to any one Lot shall be the percentage equivalent of a fraction in which the numerator is one (1) and the denominator is the total number of all Lots in the Community from time to time. The Allocated Interest for each Lot is subject to increase should Declarant exercise its right to withdraw property as provided herein.

(c) Annual Assessment. Annual Assessments levied to fund Common Expenses for the general benefit of all Lots, as determined in accordance with Section 4.2 below.

(d) Articles of Incorporation. The Articles of Incorporation of the Association, as they may be amended from time to time.

(e) Assessment or Assessments. Any Annual Assessment, Special Assessment, Individual Assessments, or any other fees, fines or charges made or assessed hereunder by the Association against an Owner and his or her Lot in accordance with the provisions of Article 4 below.

(f) Board of Directors or Board. The Board elected pursuant to the Association's Bylaws or appointed by the Declarant responsible for acting on behalf of the Association.

(g) Bylaws. The Bylaws of the Association, as they may be amended from time to time, as the same are attached hereto as Exhibit B.

(h) Common Areas. All real and personal property, including easements and other land use rights, which the Association owns, leases, or otherwise holds possessory or use rights in for the common use and enjoyment of the Owners, including areas designated as Common Areas by Declarant from time to time, and including all improvements located therein or thereon. Common Areas do not include any Lot owned by the Association unless such Lot is expressly designated as Common Area on a Plat or in a Supplemental Declaration. Those tracts identified and described in Exhibit A, if any, which are conveyed to the Association by deed or in which the Association obtains a lease or other possessory or use rights shall constitute Common Area. Until the Association obtains fee title or other possessory or use rights in any such tract, no assurance is made that any Common Areas will be made a part of the Community.

(i) Common Expenses. The actual expenses or liabilities incurred by or on behalf of the Association the Board finds necessary or appropriate, including reserves.

(j) Community. The Property and Improvements subject to this Declaration, as it may be supplemented from time to time.

(k) Declarant. Lennar Homes of Utah, LLC, a Delaware limited liability company, and any other Person(s) to whom the Declarant, by recorded document, expressly assigns one or more of the Special Declarant Rights or other Declarant's rights under this Declaration (which shall be the extent of the Declarant's rights to which such assignee succeeds). The Declarant's rights shall only be assigned by written, recorded instrument expressly assigning those rights. So long as AG owns any Lot or portion of

the Property or annexable property, any assignment of the Declarant's rights under this Declaration shall require the prior written consent of AG. Any purported assignment without such consent shall be deemed void and of no force and effect. Notwithstanding the foregoing, if the Option Agreement is terminated prior to the purchase by Declarant from AG of all of the Property as evidenced by the recording of a Notice of Termination of Option, AG shall, upon recordation of a Notice to Succeed to Declarant Rights, automatically become the Declarant under this Declaration, in which event all references to "Declarant" shall thereafter mean and refer only to AG or its successors or assigns, and after which event Lennar Homes of Utah, LLC ("**Lennar**") (or its successors or assigns) shall no longer be the Declarant under this Declaration or be entitled to exercise any of the rights of Declarant; provided, however, that AG shall not be liable to any person for any act or omission of Lennar or to perform any act or obligation required to be performed by Lennar hereunder or as may otherwise be required by statute or at law, arising prior to the date AG succeeds to Declarant's rights hereunder, and AG shall assume the obligations under this Declaration only for matters and obligations arising or to be performed from and after the date AG succeeds to Declarant's rights hereunder, and AG is hereby released and discharged from any and all obligations under this Declaration accruing prior to the date AG succeeds to Declarant's rights hereunder.

(l) Design Guidelines. Those certain requirements governing the location, color, materials, and architectural design of dwellings, structures, and improvements within the Community as adopted by the Board or DRC as provided herein.

(m) Director. A member of the Board of Directors.

(n) Dwelling Unit. A single building or structure or portion of a building or structure situated upon a Lot, which is intended for use and occupancy as a separate dwelling unit for one or more persons, including any patio, deck, porch, basement, garage, and out buildings, if applicable.

(o) Good Standing. An Owner who is no more than thirty (30) days late in the payment of any Assessments, is not in violation of the Governing Documents, and who has none of his, her or its membership privileges suspended. An Owner who is not in Good Standing with the Association is not entitled to vote on any matter.

(p) Governing Documents. This Declaration, the Plats, the Articles of Incorporation, Bylaws and Rules, as they may be amended or supplemented from time to time.

(q) Improvements. Structures now or hereafter located on a Lot or in the Common Areas; exterior improvements or modifications to any such structures; and any other exterior improvements made to a Lot or the Common Areas; and any exterior appurtenances thereto or exterior components thereof, of every type and kind, including all landscaping features; and all actions taken to develop a Lot or any Common Area.

(r) Individual Assessments. Charges against a specific Owner and his, her or its Lot as provided in Article 4 below.

(s) Lot or Lots. Each platted lot which is a physical portion of the Community, other than Common Areas, designated for separate ownership or occupancy, the boundaries of which are described on the Plat. Any parcel of real property that may be, but has not been, further subdivided shall be considered a single Lot.

(t) Member. All Owners of a Lot collectively or, following termination of the Community, all former Owners entitled to distributions of proceeds under the Act, their heirs, personal representatives, successors and assigns.

(u) Mortgage. A mortgage, a deed of trust, a deed to secure debt, or any other form of security instrument affecting title to any Lot. A first Mortgage is a Mortgage, the priority of which is not subject to any monetary lien or encumbrance except liens for taxes or other liens that are given priority by statute.

(v) Mortgagee. The holder or beneficiary of a Mortgage.

(w) Notice and Hearing. The right of an Owner to receive notice of an action proposed to be taken by or on behalf of the Association, and the right to be heard thereon, as provided for herein, or in the Bylaws.

(x) Owner. Any Person who is the owner of record of the fee title to any Lot, but not a Mortgagee. The Declarant is the initial owner of any Lot created by or subject to this Declaration.

(y) Party Wall. Any wall on a Lot and those portions of footings thereunder and the roof thereover which: is part of the original construction of the structures located on the Lot as such wall(s) may be repaired or reconstructed from time to time; is placed on or immediately adjacent to a Lot's lot line; and separates two (2) or more structures as a common wall. Without limiting the generality of the foregoing, "Party Wall" includes any two walls which meet the foregoing criteria and which are separated by a small amount of air space.

(z) Period of Administrative Control. The period of time during which the Declarant may act as the Board of Directors or appoint Board Members. Such period of time shall commence on the date this Declaration is recorded and terminate on the occurrence of the earliest of the following events: (i) six (6) months after the date on which all of the Lots and all of the Additional Property have been conveyed to Persons other than Declarant or its successors, assigns, and affiliates (but excluding, for the avoidance of any doubt, conveyances to or from any land bank or similar entity) and all common infrastructure and improvements are complete; or (ii) the Declarant executes and records a written waiver of its right to control the Association. The Special Declarant Rights contained within this Declaration may last beyond the Period of Administrative Control for the maximum length permitted by law. If the Declarant elects to waive one or more, but not all, of its Special Declarant Rights, then all Special Declarant Rights not waived shall remain in full force and effect.

(aa) Permittee. Any family members, tenants, subtenants, licensees, occupants, invitees, guests or visitors of an Owner, or invitees, guests or visitors of a tenant.

(bb) Person. A natural person, corporation, trust, partnership, limited liability company, association, joint venture, or other legal or commercial entity or combination thereof.

(cc) Plat. Any recorded subdivision plat for all or any portion of the Community, as it may be amended and supplemented from time to time.

(dd) Property. The real property described in Exhibit A.

(ee) Resident. One or more persons living in the Dwelling Unit within the Community.

(ff) Rules. Rules, regulations, procedures, policies and guidelines, however denominated, adopted, amended or repealed by the Board from time to time, for the regulation and management of the Community, including Common Areas and Lots.

(gg) Special Assessments. Any Assessment levied and assessed against all Owners or some Owners as provided in Article 4 below.

(hh) Supplemental Declaration. A recorded instrument under which the Declarant designates Common Areas, and/or imposes expressly or by reference additional restrictions and obligations on the land described in such instrument. A Supplemental Declaration shall constitute an amendment to this Declaration. Any Supplemental Declaration may be amended or supplemented by Declarant in the exercise of Special Declarant Rights.

ARTICLE 2 THE COMMUNITY

2.1 The Community. The name of the Community is as defined above. It is a planned development to be governed by the Act and the Governing Documents and, for the avoidance of any doubt, is not a condominium governed by Utah Code §§57-8-101, et seq.

2.2 The Association. The name of the Association is as defined above. The Association is a Utah nonprofit corporation organized and registered pursuant to §57-8a-105.

2.3 Identification of Lots. The identification number of each Lot is shown on the Plat, as supplemented or amended from time to time.

2.4 Function of Association. The Association has primary responsibility for enforcing the Governing Documents, including covenant enforcement and design review, and may provide for the general recreation and welfare of its residents. The Association is also the entity responsible for management, maintenance, operation, and control of any Common Areas.

2.5 Membership. Every Owner shall be a Member of the Association, and the membership of the Association at all times shall consist exclusively of all Owners. Membership shall be appurtenant to and may not be separated from ownership of any Lot. There shall be only one membership per Lot. Co-Owners are jointly and severally obligated to perform the responsibilities of an Owner. The membership rights of an Owner which is not an individual may be exercised by any officer, director, partner, or trustee, or by an individual the Owner designates from time to time in a written instrument provided to the Association’s Secretary.

2.6 One Class of Membership. The Association shall have one class of voting membership. The right to vote commences at such time as the Lot is made subject to the Declaration; provided, no vote shall be exercised for any Lot which is exempt from Assessment under Section 4.24, and no votes allocated to a Lot owned by the Association may be cast.

2.7 Exercise of Voting Rights. Each membership shall be entitled to one vote for each Lot owned. If only one of the multiple Owners of a Lot is present at a meeting of the Association, such Owner is entitled to cast the vote allocated to that Lot. If more than one of the multiple Owners is present, the vote allocated to that Lot may be cast only in accordance with the agreement of a majority in interest of the Owners. There is majority agreement if any one of the multiple Owners casts the vote without protest being made promptly to the Person presiding over the meeting by any of the other Owners of the Lot. In the event that more than one such co-Owner casts a vote, the vote allocated to the Lot shall be suspended and excluded from the final vote tally on the matter on which a vote is being taken. No Owner shall be entitled to vote in any matter unless that Owner is in Good Standing with the Association.

2.8 Termination of Period of Administrative Control. Not later than the termination of the Period of Administrative Control, the Owners shall elect a Board of Directors in accordance with the requirements and standards set forth in the Bylaws.

2.9 Authority of Declarant During Period of Administrative Control. Except as otherwise provided in this Declaration, during the Period of Administrative Control, the Declarant or Persons

appointed by the Declarant may appoint all officers and members of the Board of Directors, and may remove all officers and members of the Board of Directors which have been appointed by the Declarant. The Declarant may voluntarily surrender the right to appoint and remove officers and members of the Board of Directors before termination of the Period of Administrative Control; but, in that event and to the extent not prohibited by the Act, the Declarant may require, for the duration of the Period of Administrative Control, that specified actions of the Association or Board of Directors, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before they become effective.

2.10 Registration with the State. In compliance with Utah Code § 57-8a-105, the Association shall be registered with the Utah Department of Commerce and shall update its registration to keep any required information current as required by law.

2.11 Registered Agent. The registered agent of the Association shall be as provided in the entity filings with the Utah State Department of Commerce, Division of Corporations and Commercial Code. The Board may change the registered agent without Owner vote or approval.

ARTICLE 3 ASSOCIATION POWERS AND RESPONSIBILITIES

3.1 Acceptance and Control of Association Property.

(a) The Association, through action of the Board, may acquire, hold, lease (as landlord or tenant), operate, and dispose of tangible and intangible personal property and real property. The Association may enter into easements, leases, licenses, or operating agreements for Common Areas or portions thereof, for payment or no payment as the Board deems appropriate, to permit use of the Common Areas or portions thereof by community organizations, special districts, and other third parties and their constituents.

(b) Declarant and its designees may transfer to the Association, and the Association shall accept, personal property and fee title, leasehold, easement or other property interests in any real property, improved or unimproved, described in Exhibit A.

(c) The Association shall be responsible for the management, operation, and control of the Common Areas, if any, subject to any covenants, easements, or restrictions set forth in the deed or other instrument of record and or in any other instrument transferring the property to the Association and all other matters of record and those a proper survey of such property would reveal, and for the maintenance of any Maintenance Property. Except as required in this Declaration with respect to maintenance, repair and replacement responsibilities of Owners, no Owner or Permittee shall make any addition or other alteration to any portion of the Common Areas, no matter how minor, without the express prior written consent of the Board, which consent may be withheld in the Board's sole and absolute discretion. The Board shall have the power to adopt Rules regulating use and enjoyment of the Common Areas, including Rules limiting the number of guests who may use the Common Areas.

3.2 Maintenance of Common Areas.

(a) Except as required in this Declaration with respect to maintenance, repair and replacement responsibilities of Owners, the Association shall maintain, or cause to be maintained, any Common Areas that have been included within and made a part of the Community, which maintenance shall include, but need not be limited to:

(i) all portions of the Common Areas, including landscaping, seasonal lawn mowing, lawn, tree and shrub watering, lawn fertilization and related treatment, pruning and/or replacement

of trees and/or shrubs, removal of weeds and debris, removal of growth and debris from rock mulch areas, replacement of rock mulch as deemed necessary from time to time, repair and, from time to time, necessary replacement of system components of any freestanding lights on or along sidewalks or public rights of way (to the extent not maintained by others), and seasonal turn on and clean out and, from time to time, necessary replacement of sprinkler system components, retaining walls (excluding any retaining walls located on a Lot for which the Association has not expressly assumed the responsibility therefor in writing), structures, trails, trail lighting, playground equipment, monumentation, detention areas (that are not maintained by others), drainage channels (that are not maintained by others), and upkeep and repair as deemed necessary or appropriate by the Association for other improvements located on Common Areas;

(ii) clearing of snow from any cluster mailbox locations in the Community (to the extent not maintained by others) and other areas designated by the Association, but not on public sidewalks, garage aprons or individual walks to the front doors of the Dwelling Units unless the Board, in its discretion, elects to provide such services;

(iii) landscaping within any detention areas, drainage channels, ponds, structure or facilities to the extent not maintained by others and such maintenance is required to be performed by the Association by the local governmental entity as a condition of the development of the Community or any part thereof, or as otherwise agreed to by the Association;

(iv) such portions of any additional property as may be required by this Declaration, any Supplemental Declaration, any Plat, development plan or any contract, covenant, or agreement for maintenance entered into by, or for the benefit of, the Association; and

(v) all ponds, streams, and wetlands situated within the Community which serve as part of the Community's stormwater drainage system, including associated improvements and equipment unless the same have been dedicated to and/or accepted and/or agreed to be maintained by a local governmental entity, special district, another community association or other entity for the purpose of maintenance, repair and replacement.

(b) For the avoidance of any doubt, the foregoing description of the Common Areas to be maintained and repaired by the Association is intended only to be illustrative. The listing of any particular type of improvement that may be located on a Common Area is not intended as a representation or guaranty that the Community does or will ever contain any such improvement(s). Additionally, it is acknowledged that there may be tracts identified on Exhibit A that will never become Common Area but will instead be owned, operated, and maintained by a special district or other governmental entity. Unless such Tracts are subsequently made Common Area as provided in this Declaration or constitute Maintenance Property as described below, the Association will not have any right to maintain, repair, or operate (or control the repair, maintenance, or operation) of such tracts.

(c) The Association may partially or completely maintain other property which it does not own, other than a Dwelling Unit, without limitation, property dedicated to the public, publicly owned real property and property owned by an Owner or third party, including any easements, drainage structure or facilities related thereto, that the Association is obligated to maintain (the "**Maintenance Property**") if required by the local governmental entity as a condition of development of the Community or any part thereof, or as otherwise agreed by and between the Association and any such local governmental entity or other Person, or if the Board determines that such maintenance is necessary or desirable.

(d) The Association shall not be liable for any damage or injury occurring on or arising out of the condition of property which it does not own except to the extent that it has been negligent in the performance of its maintenance responsibilities. Further, the Association shall not be liable for any damage

or injury to any Person or Lot occurring on or arising out of naturally occurring events or conditions occurring or existing on the Common Areas except to the extent that it has caused such damage or injury by its gross negligence or intentional acts or omissions.

(e) Except as otherwise provided herein, the costs associated with maintenance, repair, and replacement as provided for in this Section 3.2 or in Section 3.3, as well as any fees or charges payable with respect to any Common Areas and any Maintenance Property, shall be a Common Expense; provided, the Association may seek reimbursement from the Owner(s), other than Declarant, of, or other Persons responsible for, certain portions of the Common Areas or a Lot pursuant to this Declaration, a Supplemental Declaration, or other recorded covenants, easements or agreements. An Owner will reimburse the Association for the costs, expenses and fees for maintenance, repair or replacement to the Common Areas or a Lot caused intentionally, negligently or by the failure to properly maintain, repair or make replacements to such Owner's Lot (including drainage). If such expense is caused by misconduct, it will be assessed as an Individual Assessment following Notice and Hearing.

(f) For the purpose of maintenance, repair and replacement, the Board may delegate, assign or otherwise transfer its maintenance obligations as set forth in this Section to any local governmental entity, special district, another community association or other entity as the Board deems appropriate, and the Board may enter, pursuant to Section 3.11 below or otherwise, into easements and agreements or other arrangements with any local governmental entity, special district, another community association or other entity as the Board deems appropriate for the shared use, operation and/or maintenance of the Common Areas as the Board deems appropriate.

3.3 Compliance and Enforcement.

(a) The Association shall have the power to enforce the provisions of the Governing Documents and shall take such action as the Board deems necessary or desirable to cause compliance by each Member and Permittee. The Board may impose sanctions for violations of the Governing Documents, which sanctions include those listed below and any others specifically described in the Governing Documents or as permitted by law, and may establish a range of penalties for different violations. The following sanctions require Notice and Hearing, provided that to the extent not prohibited by the Act only a single Notice and Hearing is required for continuing violations:

(i) imposing reasonable monetary fines as set forth in the Rules. Fines may be imposed within a graduated range. There is no limit on the aggregate amount of any fine for a continuing violation;

(ii) suspending an Owner's right to vote, except that no Notice and Hearing shall be required to suspend an Owner's right to vote if the Owner is not in Good Standing;

(iii) suspending any Person's right to use Common Areas; provided, nothing shall authorize the Board to impair an Owner's or Occupant's access to his or her Lot;

(iv) suspending any services the Association furnishes to the Owner's Lot;

(v) exercising self-help or taking action to abate any violation of the Governing Documents occurring on a Lot; and

(vi) levying Specific Assessments to cover costs incurred by the Association to bring a Lot into compliance with the Governing Documents.

(b) In addition, without Notice and Hearing being required, the Board or its designees may take the following enforcement actions to ensure compliance with the Governing Documents:

(i) taking other action to abate a violation on the Common Areas or a violation on a Lot in an emergency situation; and

(ii) bringing action at law or in equity to enjoin any violation or to recover monetary damages, or both.

3.4 Authority of Association and Board.

(a) Except for limitations or as otherwise specifically provided in the Governing Documents, the Association may exercise any right or privilege given to it expressly, or by reasonable implication, by the Governing Documents, the Act or the Utah Revised Nonprofit Corporation Act (Utah Code §16-6a-101, et seq.) (the “**Nonprofit Act**”), or take action reasonably necessary to effectuate any such right or privilege. Except as otherwise specifically provided in the Governing Documents or by law, the Board may exercise the Association’s rights and powers without a vote or approval of the Owners. No Owner will be permitted to serve as a Director unless at the time of election, and during the term of the Owner’s service, that Owner is in Good Standing with the Association. The Board of Directors shall elect the officers. The Directors and officers shall take office upon election.

(b) Without limiting the authority of the Board, the Board shall have the following duties and powers to act on behalf of the Association:

(i) subject to the terms and limitations set forth in this Declaration, institute, defend, settle, or intervene on the Association’s behalf or on behalf of two or more Owners, in mediation, binding or non-binding arbitration, litigation, or administrative proceedings in matters pertaining to the Common Areas, enforcement of the Governing Documents, or any other civil claim or action. However, the Governing Documents shall not be construed as creating any independent legal duty to institute any legal or other action or proceeding on behalf of or in the name of the Association or the Members. Notwithstanding anything to the contrary in this Declaration, the Association may not sue anyone or arbitrate claims on behalf of two or more Owners (whether in a representative capacity or by taking an assignment of claims) with respect to any claims or issues on individual Dwelling Units, including without limitation, construction and warranty claims and this limitation on the power of the Association may not be amended, nullified or modified without the written consent of the Declarant.

(ii) maintain insurance as required in accordance with Article 6 below;

(iii) prepare, and submit to the Owners, annual budgets for revenues, expenditures and reserves for the Association as elsewhere provided in this Declaration.

(iv) levy and collect Assessments as elsewhere provided in this Declaration.

(v) keep and provide the Association’s records in compliance with the Act;

(vi) adopt and amend Bylaws and Rules as may be deemed necessary or desirable with respect to the interpretation and implementation of this Declaration, the operation of the Association, the use and enjoyment of Lots or the Common Areas, the use of any other property within the Community, and otherwise for the benefit of the Community and the Owners. Any such Rules shall be non-discriminatory and reasonable. The Rules shall have the same force and effect as if they were set forth in and were part of this Declaration. In the event of conflict between the Rules and the provisions of this Declaration, the provisions of this Declaration shall control;

(vii) in accordance with the requirements of this Declaration, suspend the right of an Owner to use any Common Areas (a) for any period during which any Assessment or other charge against the Owner's Lot remains delinquent, and (b) other than as set forth in (a) immediately preceding this sentence, for a period not to exceed sixty (60) days for a single violation of the Governing Documents, or for a longer period in the case of any continuing violation including a period of time following termination of the violation;

(viii) enter into contracts and incur liabilities;

(ix) borrow money and assign its future income, including its right to receive Assessments, upon resolution of the Board without approval of the Owners. Further, the Association shall have the power to dedicate, transfer, or encumber, in the name of the Association, any right, title or interest in real or personal property;

(x) grant easements, leases, licenses and concessions through or over the Common Areas;

(xi) rent any portion of any Common Areas or recreational facilities on an exclusive or non-exclusive short-term basis to any Person, and impose fees or charges for the use, rental or operation of the Common Areas; and

(xii) permit use of any Common Areas by people from outside of the Community, which use may be subject to admission charges, membership fees, or other user fees established in the Board's discretion.

3.5 Indemnification of Officers, Directors, and Others.

(a) The officers, Directors, and committee members, acting in those capacities, shall not be liable for any mistake of judgment, negligence or otherwise, except for their own individual intentional or willful misconduct. The officers and Directors, acting in those capacities, shall have no personal liability with respect to any contract or other commitment made or action taken in good faith on behalf of the Association.

(b) Subject to and to the fullest extent permitted by Utah law, the Association shall defend and indemnify every present and former officer, director, and committee member against all claims, damages and expenses, including attorneys' fees, reasonably incurred in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer, Director, or committee member, except that such obligation to indemnify shall be limited to those actions for which the indemnitee's personal liability is limited under this Section.

(c) This right to indemnification shall not be exclusive of any other rights to which any present or former officer, Director, or committee member may be entitled. The Association shall, as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

3.6 Safety and Security. Each Owner and Permittee is responsible for their own personal safety and the security of their property in the Community. The Association may, but shall not be obligated to, maintain or support certain activities within the Community designed to enhance the level of safety or security which each person provides for himself and his property. Neither the Association nor Declarant shall in any way be considered insurers or guarantors of safety or security within the Community, nor shall either be held liable for any loss or damage by reason of failure to provide adequate security or

ineffectiveness of security measures undertaken. No representation or warranty is made that any systems or security measures cannot be compromised or circumvented, nor that any such systems or security measures undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges, understands, and shall be responsible for informing its Permittees that the Association, its Board and committees, and Declarant are not insurers or guarantors of security or safety and that each Person within the Community assumes all risks of personal injury and loss or damage to property, including Lots, and the contents of Lots, resulting from acts of third parties.

3.7 Right to Contract. The Association shall have the right to contract for and regulate the provision of services for snow removal, trash collection, and recycling for all or any of the Owners and their Lots, and may enter into and terminate contracts or agreements with other entities, including Declarant, to provide such services and facilities. The Board may charge use or service fees for any such services and facilities, or require Owners to pay the costs of such services or facilities directly, or may include the costs in the Association's budget as a Common Expense. If provided to less than all Lots, the Association may assess such costs as an Individual Assessment. The Association is authorized to contract for such services for all or portions of the Community, and determine that the cost of such services shall be charged as use or service fees for such services, or paid by the Association as part of the Common Expenses, or that the cost of such services shall be paid by each Owner directly to the service provider in which case the Association shall not have any duty to pay the costs of such services or to assess the costs thereof to the Owners as Assessments. Nothing in this Section shall be construed as a representation by Declarant or the Association as to what, if any, services shall be provided. In addition, the Board may modify or cancel existing contracts for services or facilities in its discretion. Non-use of services or facilities provided to all Owners or Lots as a Common Expense shall not exempt any Owner from the obligation to pay Assessments for such services.

3.8 Relationships with Other Properties. The Association may enter into contractual agreements, easements or covenants to share costs with any neighboring properties to contribute funds for, among other things, shared or mutually beneficial property or services and/or a higher level of maintenance of Common Areas.

3.9 View Impairment. Neither Declarant nor the Association guarantee or represent that any view over and across the Lots, any Common Areas, or any open space within the Community will be preserved without impairment, and neither shall be obligated to relocate, prune, or thin trees or other landscaping. The Association and the Declarant (with respect to any Common Areas) have the right to add trees, walls, fences, berms, or other structures, signs, lighting, water features and other landscaping from time to time subject to applicable law, without regard to any view impairment. Any express or implied easements for view purposes or for the passage of light and air are hereby expressly disclaimed.

3.10 Relationship with Governmental and Tax-Exempt Organizations. The Association may enter into agreements or contracts with, or grant exclusive and/or non-exclusive easements, leases or licenses over Common Areas to, state or local governments, public improvement districts, infrastructure facilities districts, public utility providers, and non-profit, tax-exempt organizations for the benefit of the Community, the Association, and the Members, or for the use, operation and/or maintenance of Common Areas by such governmental and tax-exempt organizations. The Association may contribute or receive money, real property (including Common Areas), personal property, or services to or from any such entity.

3.11 Cooperation with Other Associations and Districts. The Association shall have the right and authority at any time, and from time to time, to enter into agreements, easements and otherwise cooperate with other community associations, and/or any special districts or metropolitan districts, to share facilities, to share the costs and/or responsibility for any operation, maintenance, repair, replacement or

other matters relating to facilities, real property and personal property, to perform maintenance, repair or replacement for any person(s) in consideration of payment or reimbursement therefor, to provide for the use, operation and maintenance of Common Areas, to utilize the same contractors, subcontractors, managers or others who may perform services for the Association, any other community associations and/or any districts, or to otherwise cooperate with any other community associations and/or any districts in order to increase consistency or coordination, reduce costs, or as may otherwise be deemed appropriate or beneficial by the Board of Directors in its discretion from time to time. The costs and expenses for all such matters, if any, may be shared or apportioned between the Association and/or any other community associations and/or any districts, as the Board of Directors may determine in its discretion from time to time. Additionally, the Association shall have the right and authority at any time, and from time to time, to enter into agreements and otherwise cooperate with any other community associations and/or any districts to collect Assessments, other charges or other amounts which may be due to such entity and to permit any such entity to collect Assessments, other charges or other amounts which may be due to the Association; in any such instance, the Association shall provide for remittance to such entity of any amounts collected by the Association or to the Association of any amounts collected by such entity.

3.12 Management Contract. The Community may be managed by a professional manager selected by the Declarant, or upon the termination of the Period of Administrative Control, shall be selected by the Board to assist in the management and operation of the Community (the “**Manager**”) and may delegate such of its powers and duties to the manager as it deems appropriate; reserving the right, however, to control and oversee the administration thereof. Any powers and duties delegated to any manager may be revoked by the Board at any time, with or without cause. Following the Period of Administrative Control, the Board shall have the option to either renew the contract with the manager selected by Declarant or hire a different manager.

ARTICLE 4 ASSOCIATION FINANCES

4.1 Purpose of Assessments. The Assessments levied by the Association may be used to promote the recreation and welfare of the residents of the Lots, and for all of those purposes and activities which may be required of the Association, or the Board of Directors, or which the Association, or the Board of Directors, may be empowered to pursue pursuant to the Governing Documents, or by law.

4.2 Commencement of Assessment Obligation; Time of Payment. The obligation to pay Assessments shall commence as to all Lots (other than as provided below) which are within the Community and subject to the Declaration on the day of the conveyance of title to the first such Lot from Declarant, provided that a transfer by Declarant to a non -Declarant (or a conveyance back to Declarant) shall not trigger the obligation to pay Assessments. The first Annual Assessment levied on each Lot shall be prorated for the time remaining in the first Assessment period. In the discretion of the Association, advance payment of Assessments may be required for the applicable payment period at closing of the transfer of title to an applicable Lot.

4.3 Annual Budget. The Board shall prepare and adopt an annual budget for the Association. The annual budget shall provide, without limitation, for the maintenance of the Common Areas and for the administration, management, and operation of the Association. The Board may revise the budget from time to time as the Board deems appropriate. If the Board fails to adopt an annual budget, the last adopted budget shall continue in effect until a new annual budget is adopted. The budget shall be made available to the Owners within thirty (30) days after adoption. Owners may not disapprove a budget during the Period of

Administrative Control.

4.4 Covenant to Pay Assessments. Each Owner of a Lot by the acceptance of a deed therefore, whether or not it be so expressed in the deed, hereby covenants and agrees with each other and with the Association to pay to the Association all Assessments, including without limitation, all Annual, Special, and Individual Assessments described below, and other fees, charges, levies, and fines as may be provided in the Governing Documents.

4.5 Purpose of Assessments. Assessments levied by the Association shall be used for the purpose of promoting the health, safety, and welfare of residents of the Community, including but not limited to the appearance and aesthetics of the Community. The use made by the Association of funds obtained from Assessments may include, but is not limited to: payment of the cost of taxes and insurance on the Common Areas; maintenance, repair, and improvement of the Common Areas; establishing and funding a reserve to cover major repair or replacement of improvements within the Common Areas; and any expenses necessary or desirable to enable the Association to perform or fulfill its obligations, functions, or purposes under the Governing Documents.

4.6 Declarant's and AG's Exemption from Assessments. Anything contained in the Governing Documents to the contrary notwithstanding, neither the Declarant nor AG shall be obligated to pay Assessments on any Lot owned by it until such time as the Declarant or AG (so long as it owns any portion of the Property) elects in writing to pay Assessments, and only for so long as the Declarant and/or AG, as applicable, elects to pay Assessments. In addition, the Declarant and AG may exempt Lots owned by Declarant or AG affiliates from the payment of Assessments during the Period of Administrative Control, in Declarant's and AG's discretion.

4.7 Annual Assessments. Annual Assessments shall be made on a calendar year basis based on each Lot's allocated proportion of the upcoming annual budget. The Board shall give written notice of each Annual Assessment not less than fifteen (15) days prior to the beginning of the next calendar year. Each Annual Assessment shall be due and payable in monthly installments on dates established by the Board or on such other frequency as the Board, in its discretion, may determine. At least fifteen (15) days prior to the effective date of any change in the amount of the Annual Assessment, the Association shall give each Owner written notice of the new amount.

4.8 Special Assessments. The Board may levy a Special Assessment payable over such a period as the Board may determine for the purpose of defraying, in whole or in part any expense or expenses not reasonably capable of being fully paid with funds generated by Annual Assessments; the cost of any construction, reconstruction, or unexpected repair or replacement of the Common Areas; or for any other expense incurred or to be incurred as provided in this Declaration. Special Assessments over one-thousand five hundred dollars (\$1,500) per Lot (as such cap is increased, annually, based on changes to the Consumer Price Index over a base year of 2024 for the geographic area in which the Property is located) in a calendar year must be approved and assented to by a majority of the Members present in person or by proxy at a meeting duly called for such purpose. Notice in writing of the amount of any Special Assessments and the time for their payment shall be given as soon as is reasonably possible to the Owners. Payment shall be due on the dates and in the manner determined by the Board and provided in the notice. Notwithstanding the foregoing, Declarant may levy Special Assessments in any amount deemed necessary during the Period of Administrative Control without Owner approval.

4.9 Individual Assessments. In addition to Annual and Special Assessments authorized above, the Board may levy Individual Assessments against a Lot and its Owner for: (a) administrative costs and expenses incurred by the Board in enforcing the Governing Documents against the Owner or his/her

Occupants; (b) costs associated with the maintenance, repair, or replacement of Common Areas caused by the neglect or actions of an Owner or his/her Occupants; (c) any other charge, fine, fee, expense, or cost designated as an Individual Assessment in the Governing Documents or by the Board, including, without limitation, action taken to bring a Dwelling Unit and its Owner into compliance with the Governing Documents; (d) nonpayment of a Reinvestment Fee; (e) costs of providing services to the Lot upon request of the Owner; and (f) attorney fees, court or collection costs, fines, and other charges relating to any of the foregoing, regardless of whether a lawsuit is filed. In addition, Individual Assessments may be levied against a Lot and its Owner specifically benefited by any improvements to adjacent roads, sidewalks, planting areas or other portions of the Common Areas made on the written request of the Owner of the Lot to be charged. The aggregate amount of any such Individual Assessments shall be determined by the cost of such improvements, repairs, maintenance, or enforcement action, including all overhead and administrative costs and attorney fees, and shall be allocated among the affected Lots according to the special benefit or cause of damage or maintenance or repair work or enforcement action, as the case may be. Individual Assessments may be levied in advance of the performance of the work. If a special benefit arises from any improvement which is part of the general maintenance obligations of the Association, it shall not give rise to an Individual Assessment against the Lot(s) benefited, unless such work was necessitated by the Owner's or his/her Occupants' negligence.

4.10 Allocation of Assessments. Annual and Special Assessments shall be fixed at a uniform rate for all Lots. Individual Assessments shall be allocated separately to each Lot based on the costs incurred by the Association.

4.11 Application of Excess Assessments. In the event the amount budgeted to meet Common Expenses for a particular fiscal year proves to be excessive in light of the actual Common Expenses, the Board in its discretion may apply the excess to reserves, credit the excess against future Assessments, or pay the excess to the Owners, as the Board deems appropriate. The decision of the Board shall be binding and conclusive. In addition, the Association shall not be obligated to reduce the amount of Assessments in succeeding years if an excess exists for a prior year.

4.12 No Offsets. All Assessments shall be payable in the amount specified by the Assessment and no offsets against such amount or withholding of any amount shall be permitted for any reason, including, without limitation, a claim that the Association owes the Owner money, or that the Association is not properly exercising its duties and powers as provided in this Declaration.

4.13 Certificate Regarding Payment. Upon the request of an Owner, prospective purchaser, mortgagee, or encumbrancer of a Lot, the Association shall issue a certificate stating whether or not all Assessments respecting such Lot are current and, if not, the amount of the delinquency. Such certificate shall be conclusive in favor of all persons who in good faith rely thereon. The Association may charge the requesting Owner, prospective purchaser, mortgagee, or encumbrancer of a Lot a reasonable fee as permitted in the Act.

4.14 Personal Obligation and Lien. All Assessments, together with any interest, late fees, collection costs, and attorney fees shall constitute and remain: (a) a charge and continuing lien upon the Lot with respect to which such Assessment is made pursuant to Utah Code §57-8a-301; and (b) the personal obligation of the person who is the Owner of such Lot at the time the Assessment falls due. No Owner may exempt himself or his Lot from liability for payment of Assessments by waiver of his rights concerning the Common Areas or by abandonment of his Lot. In a voluntary conveyance of a Lot, the grantee shall be jointly and severally liable with the grantor for all such unpaid Assessments, late payment fees, interest, and costs of collection, including reasonable attorneys' fees, which shall be a charge on the Lot at the time of the conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by

the grantee therefore.

4.15 Billing and Collection Procedures. The Board shall have the right to adopt Rules setting forth procedures for the billing and collection of Assessments, provided that such procedures are not inconsistent with the provisions hereof. The failure of the Association to send an invoice to an Owner shall not relieve any Owner of liability for any Assessment or charge under this Declaration, but the Assessment lien therefore shall not be foreclosed or otherwise enforced until the Owner has been given not less than thirty (30) days written notice prior to such foreclosure or enforcement, at the address of the Owner on the records of the Association, of the Assessment or installment and of the amount owing. Such notice may be given at any time prior to or after delinquency of such payment. A copy of such notice may also be provided to the Occupant(s) of the Owner if the Owner is not a resident in the Community.

4.16 Due Date and Delinquency. Assessments shall be paid in a timely manner. Payments are due in advance on the first day of the month or the first day of such other period established for the payment of Assessments. Payments are delinquent if received more than ten (10) days from the date that they became due. Whenever an Assessment is delinquent, the Board may at its option invoke any one or more options or all of the sanctions granted in this Article or the Act.

4.17 Collection Charges. If the Association does not otherwise adopt or establish billing and collection procedures in the Rules, the following shall apply. Delinquent accounts shall be charged a fifteen dollar (\$15) late fee each month until the Owner's account (including all late fees, interest, collection costs, and attorney fees) is paid in full. Interest may accrue on all unpaid balances at the rate of eighteen percent (18%) per annum. Collection costs, interest, and/or late fees shall constitute part of the Assessment lien provided above until paid.

4.18 Collection Action at Law. The Association may exercise any or all of the following remedies to collect delinquent Assessments:

(a) The Association may suspend such Owner's voting rights.

(b) The Association shall have a lien against each Lot for any Assessment levied against the Lot and any fines or other charges imposed under this Declaration or the Bylaws against the Owner of the Lot from the date on which the Assessment, fine, or charge is due. This lien shall arise and be perfected as of the date of the recording of this Declaration. At any time, any Assessment or installment thereof is delinquent, the Association, by and through its Board or any Manager, may file a notice of lien in the deed records of the County, against the Lot with respect to which the delinquency pertains. Once filed, such lien shall accumulate all future Assessments or installments, interest, late fees, penalties, fines, attorney fees, and other appropriate costs properly chargeable to an Owner by the Association, until such amounts are fully paid. Said lien may be foreclosed at any time as allowed by law. The lien of the Association shall be superior to all other liens and encumbrances except: a lien or encumbrance recorded before the original Declaration was recorded; a first or second security interest on the Lot secured by a mortgage or trust deed that is recorded before the Association's notice of lien; or a lien for real estate taxes or other governmental assessments against the Lot. The Association through its duly authorized agents, may bid on the Lot at any foreclosure sale, and may acquire and hold, lease, mortgage, and convey the Lot.

(c) The Association may bring an action to recover a money judgment for unpaid Assessments, fines, and charges under this Declaration against the Lot Owner without foreclosing or waiving the lien described above. Recovery on any such action, however, shall operate to satisfy the lien, or the portion thereof, for which recovery is made.

(d) If the delinquent Owner is leasing his Lot or any portion thereof, the Board may, at its option, so long as such default shall continue, demand and receive from any tenant of the Owner the rent due or becoming due and the payment of such rent to the Board shall discharge such tenant for rent due, and shall discharge the Owner for such Assessments to the extent of the amount so paid.

(e) The Association may terminate utilities paid out of the Common Expense and the right to use the Common Areas.

(f) 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.

(g) The Association shall have any other remedy available to it whether provided in the Governing Documents, the Act, or other law or in equity.

4.19 Power of Sale. The Association shall have all rights of foreclosure granted by the Act, both judicially and non-judicially. Pursuant to Utah Code §§ 57-1-20 and 57-8a-302, an Owner's acceptance of an interest in a Lot constitutes a simultaneous conveyance of the Lot in trust, with power of sale, to the Association's attorney of record, as trustee, for the benefit of the Association, for the purpose of securing payment of Assessments under the terms of this Declaration. The Association may appoint a qualified successor trustee by executing and recording a substitution of trustee form.

4.20 Reserve Account. The Board shall establish a reserve account to fund long-term maintenance of Common Areas. The Board shall follow any statutory requirement to conduct a reserve analysis and utilize such reserve analysis in making decisions regarding the funding of a Reserve Account. The Board shall not be personally liable for failure to fund the reserve unless willful or intentional misconduct is proven in a court of law. Notwithstanding the foregoing, such reserve fund duties and obligations shall not apply to the Association and Board during the Period of Administrative Control.

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

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

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

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

(d) All transfers of Lots from Declarant or AG to a Declarant or AG related entity shall be exempt from a Reinvestment Fee. The Declarant shall have the sole discretion to determine whether such Transferee is a related entity and if a Reinvestment Fee applies.

4.22 Account Payoff Fees. The Association may charge a fee for providing Association payoff information needed in connection with financing, refinancing, or closing of the sale of a Lot as provided for in Utah Code § 57-8a-106. The amount of such fee shall be fifty dollars (\$50) or as otherwise established

in the Rules. Additional paperwork required in a private sale between an Owner and purchaser may be obtained from the Association but may incur additional fees.

4.23 Association Responsibility after Foreclosure. If the Association takes title to a Lot pursuant to a foreclosure (judicial or non-judicial), it shall not be bound by any of the provisions related to the Lot that are otherwise applicable to any other Owner, including but not limited to obligations to pay assessments, taxes, or insurance, or to maintain the Lot. By taking a security interest in any Lot governed by this Declaration, Lenders cannot make any claim against the Association for nonpayment of taxes, Assessments, or other costs and fees associated with any Lot if the Association takes title to a Lot related to a failure to pay Assessments.

4.24 Receiver. To the extent permitted by law, in any action by the Association to collect Assessments or to foreclose a lien for unpaid Assessments, the Association may request that the court appoint a receiver of the Lot prior to or during the pendency of the action. The court may order the receiver to pay any sums held by the receiver first to the costs of the receivership, including receiver's fees, and then to the Association during the pendency of the action to the extent of the Association's Assessments.

4.25 Exempt Property. For the avoidance of any doubt, the following property shall be exempt from payment of Assessments and Special Assessments:

- (a) All Common Area and other portions of the Community which are not Lots; and
- (b) Any property dedicated to and accepted by any governmental authority or public utility.

4.26 Homestead Waiver. Pursuant to Utah Code §57-8a-301, and to the extent any liens are created pursuant to this Declaration, whether such liens are now in existence or are created at any time in the future, each Owner waives the benefit of any homestead or exemption laws of the State of Utah now in effect, or in effect from time to time hereafter.

ARTICLE 5 DESIGN REVIEW COMMITTEE

5.1 Architectural Control Committee. The Board may appoint a three (3) member Design Review Committee (the "**DRC**"), the function of which shall be to insure that all improvements and landscaping within the Community harmonize with existing surroundings and structures.

5.2 Approval of Improvements Required. The approval of the DRC shall be required for any Improvement to Property on a Lot or Common Areas, except: (a) for any Improvement to Property made by Declarant, and (b) where prior approval of an Improvement to Property may be waived or certain Improvements to Property may be exempted in writing or under written guidelines or rules promulgated by the DRC. The DRC may delegate some or all of its authority under this Declaration to such agents, committees, or subcommittees as the Association may designate for such purpose from time to time.

5.3 Improvement to Property Defined. "**Improvement to Property**" or "**Improvements to Property**" requiring approval of the DRC shall mean and include, without limitation: (a) the construction, installation, erection, or expansion of any building, structure, or other Improvement, including utility facilities and fences, (b) the demolition or destruction, by voluntary action, of any building, structure, or other Improvement, (c) the landscaping, grading, excavation, filling, or similar disturbance to the surface of the land including, without limitation, change of grade, change of ground level, change of drainage pattern, change of stream bed or change of established grade, and (d) any change or alteration of any previously approved Improvement to Property, including any change of exterior appearance, color, or

texture.

5.4 Membership of Committee.

(a) During the Period of Administrative Control, the DRC shall consist of two (2) members, both of whom shall be initially appointed by Declarant. Declarant shall have the continuing right to appoint both members during the Period of Administrative Control. During the period of development of the Community Area while Declarant has rights to appoint members of the DRC, Declarant shall give the Association written notice of the appointment or removal of any member of the DRC. Members of the DRC may be but shall not be required to be Members of the Association. After expiration of the Period of Administrative Control, the Design Review Committee shall consist of three (3) members who are appointed by the Board.

(b) Members of the DRC may be removed at any time by the Person(s) which have the power to appoint them, and shall serve for such term as may be designated by such Person(s) or until resignation or removal by such Person(s).

5.5 Address of DRC. The address of the DRC shall be at the principal office of the Association.

5.6 Submission of Plans. Prior to commencement of work to accomplish any proposed Improvement to Property, the Person proposing to make such Improvement to Property (“**Applicant**”) shall submit to the DRC at its offices such descriptions, surveys, plot plans, drainage plans, elevation drawings, construction plans, specifications, and samples of materials and colors as the DRC shall reasonably request showing the nature, kind, shape, height, width, color, materials, and location of the proposed Improvement to Property. The Applicant shall be entitled to receive a receipt for the same from the DRC or its authorized agent. The DRC may require submission of additional plans, specifications, or other information prior to approving or disapproving the proposed Improvement to Property. Until receipt by the DRC of all required materials in connection with the proposed Improvement to Property, the DRC may postpone review of any materials submitted for approval.

5.7 Criteria for Approval. The DRC shall approve any proposed Improvement to Property only if it deems in its reasonable discretion that the Improvement to Property in the location indicated will not be detrimental to the appearance of the surrounding areas of the Community as a whole; that the appearance, exterior design, materials and color of the proposed Improvement to Property will be in harmony with the surrounding areas of the Community and will be substantially consistent with the specific provisions or intent of the Design Guidelines; that the Improvement to Property will not detract from the beauty, wholesomeness, and attractiveness of the Community or the enjoyment thereof by Owners; that the proposed changes in topography properly relate to adjacent Lots and the Community as a whole; and that the upkeep and maintenance of the proposed Improvement to Property will not become a burden on the Association. The DRC may condition its approval of any proposed Improvement to Property upon the making of such changes therein as the DRC determines, in its judgment, reasonably exercised, are necessary to comply with this Section 5.7.

5.8 Design Guidelines; Design Procedures.

(a) The Design Review Committee may, from time to time, issue, revise, and reissue Design Guidelines to be applicable to all subsequent Improvements to Property. The Design Guidelines may specify substantive standards for styles of architecture, colors, and features which are required to be followed for submissions to the Design Review Committee for approval of proposed Improvements to Property and any additional factors which will be taken into consideration in connection with the approval

of any proposed Improvement to Property. During the Period of Administrative Control, any revision or amendment and restatement of the Design Guidelines shall be subject to the approval of the Declarant.

(b) The DRC may, from time to time, issue, revise, and reissue standards or rules (“**Design Procedures**”) relating to the procedures, materials to be submitted, and fees in connection with the approval of any proposed Improvement to Property. The Design Procedures may specify circumstances under which the strict application of limitations or restrictions under this Declaration will be waived or deemed waived in whole or in part because strict application of such limitations or restrictions would be unreasonable or unduly harsh under the circumstances. The Design Procedures may provide for the waiver, until such provision is revised, of the requirement for approval of certain Improvements to Property or provide for the exemption, until such provision is revised, of certain Improvements to Property from the requirement for approval, if the DRC determines for the time being that such approval may not be reasonably required to carry out the purposes of this Declaration.

5.9 Design Review Fee. The DRC may, in the Design Procedures, provide for the payment of a fee to accompany each request for approval of any proposed Improvement to Property. Subject to any limitations set forth in the Act, the DRC shall provide that the amount of such fee shall be uniform for similar types of any proposed Improvement to Property in accordance with a schedule of fees adopted by the DRC or that the fee shall be determined in any other reasonable manner, such as based upon the cost to the Association of the evaluation and response to the application.

5.10 Decision of Committee. The DRC shall approve or disapprove all requests for approval of any Proposed Improvement to Property within thirty (30) days after receipt by the DRC of all materials required by the DRC in conjunction therewith. If the DRC fails to approve or disapprove any request within forty-five (45) days after complete submission of all materials and information with respect thereto, the DRC shall be deemed to have given its approval of such submission.

5.11 Prosecution of Work After Approval. After approval of any proposed Improvement to Property, the proposed Improvement to Property shall be accomplished promptly and diligently and in complete conformity with the description of the proposed Improvement to Property and any other materials submitted to the DRC in connection with the proposed Improvement to Property and with any conditions imposed by the DRC. If the Improvement to Property is not completed within twelve (12) months after the date of approval or another period approved in writing by the DRC in granting its approval, the approval granted shall automatically lapse.

5.12 Notice of Completion. Upon completion of the Improvement to Property, the Applicant shall give written “**Notice of Completion**” to the DRC. Unless such notice is waived as or in the manner provided in this Section 5.12, until the date of receipt of such Notice of Completion, the Design Review Committee shall not be deemed to have notice of completion of such Improvement to Property.

5.13 Inspection of Work. The DRC or its duly authorized representative shall have the right to inspect any Improvement to Property prior to or after completion; provided that the right of inspection shall terminate thirty (30) days after the DRC has received a Notice of Completion from Applicant and the DRC has been provided access to inspect the Improvement to Property.

5.14 Notice of Noncompliance. If, as a result of inspections or otherwise, the DRC determines that any Improvement to Property has been made without obtaining the approval of the DRC or was not made in complete conformity with the description and materials furnished to, and any conditions imposed by, the DRC or was not completed within the time periods specified above, the DRC shall notify the Applicant in writing of the noncompliance (the “**Notice of Noncompliance**”), which shall be given, in any

event, no later than thirty (30) days after the DRC receives a Notice of Completion from the Applicant. The Notice of Noncompliance shall specify the particulars of the noncompliance and such action to be taken to remedy the noncompliance, which may include demolition of the Improvement to Property or remodeling of the Improvement to Property to comply with the plans for such Improvement to Property, if any, approved by the DRC.

5.15 Appeal to Board of Directors; Finding of Noncompliance. If the DRC gives any Notice of Noncompliance, the Applicant may appeal to the Board of Directors by giving written notice of such appeal to the Board and the DRC within thirty (30) days after receipt of the Notice of Noncompliance by the Applicant. If, after a Notice of Noncompliance, the Applicant fails to submit a timely appeal to the Board or fails to commence diligently to remedy such noncompliance, the DRC shall request a finding of noncompliance by the Board of Directors by giving written notice of such request to the Association and the Applicant within sixty (60) days after delivery to the Applicant of a Notice of Noncompliance from the DRC. In either event, the Board of Directors shall hear the matter in accordance with the provisions of the Bylaws, and the Board shall decide whether or not there has been such noncompliance and, if so, the nature thereof and the estimated cost of correcting or removing the same.

5.16 Correction of Noncompliance. The Applicant shall remedy the noncompliance within thirty (30) days after notification thereof by the DRC, or, if a timely appeal to the Board was submitted by the Applicant or a request for a finding of noncompliance was submitted to the Board by the DRC, within a period of not more than forty-five (45) days from the date of receipt by the Applicant of the ruling of the Board of Directors requiring the Applicant to remedy the noncompliance. If the Applicant does not comply with the Board ruling within such period, the Board may, at its option, record a Notice of Noncompliance against the Lot on which the noncompliance exists, may enter upon such property and remove the noncomplying Improvement to Property, and/or may otherwise remedy the noncompliance, and the Applicant shall reimburse the Association, upon demand, for all expenses incurred therewith. If such expenses are not promptly repaid by the Applicant or Owner to the Association, the Board may levy a Specific Assessment against the Owner of the Lot for such costs and expenses. The right of the Association to remedy or remove any noncompliance shall be in addition to all other rights and remedies which the Association may have at law, in equity, or under this Declaration. The Applicant and Owner of the Lot shall have no claim for damages or otherwise on account of the entry upon the property and removal of the noncomplying Improvement to Property.

5.17 No Implied Waiver or Estoppel. No action or failure to act by the DRC or by the Board of Directors shall constitute a waiver or estoppel with respect to future action by the DRC or the Board of Directors with respect to any Improvement to Property. Specifically, the approval of the DRC of any Improvement to Property shall not be deemed a waiver of any right or an estoppel to withhold approval or consent for any similar Improvement to Property or any similar proposals, plans, specifications, or other materials submitted with respect to any other Improvement to Property.

5.18 Committee Power to Grant Variances. The DRC may authorize variances from compliance with any of the provisions of this Declaration or the Design Guidelines, including restrictions upon height, size, floor area, or placement of structures or similar restrictions, when circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental conditions may require. Such variances must be approved by the DRC in accordance with its regular procedures and shall not be effective until so approved and evidenced in writing executed by a majority of the members of the DRC. If any such variance is granted, no violation of the provisions of this Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted; *provided, however*, that the granting of a variance shall not operate to waive any of the provisions of this Declaration for any purpose except as to the particular Lot, the particular Improvement to Property covered by the variance, and the particular provision hereof or

of the Design Guidelines, covered by the variance, nor shall the granting of a variance affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting the property concerned, including, but not limited to, zoning ordinances and setback lines or requirements imposed by any governmental authority having jurisdiction.

5.19 Meetings of Committee. The DRC shall meet from time to time as necessary to perform its duties hereunder. The DRC may from time to time, by resolution in writing adopted by a majority of the members, designate a representative (the "**Committee Representative**") (who may but need not be one of its members) to take any action or perform any duties for or on behalf of the DRC, except the granting of approval of any Improvement to Property, determination of noncompliance, and granting of variances. The action of such Committee Representative within the authority of such Committee Representative or the written consent or the vote of a majority of the members of the DRC shall constitute action of the DRC.

5.20 Estoppel Certificates. The Board of Directors shall, upon the reasonable request of any interested Person (and the payment of any fee established by the Board of Directors or the DRC) and after confirming any necessary facts with the DRC, furnish a certificate with respect to the approval or disapproval of any Improvement to Property or with respect to whether any Improvement to Property was made in compliance herewith. Any Person, without actual notice to the contrary, shall be entitled to rely on said certificate with respect to all matters set forth therein.

5.21 Nonliability of Committee Action. There shall be no liability imposed on the DRC, any member of the DRC, any Committee Representative, the Association, any member of the Board of Directors, or Declarant for any loss, damage, or injury arising out of or in any way connected with the performance of the duties of the DRC unless due to the willful misconduct of the party to be held liable. In reviewing any matter, the DRC shall not be responsible for reviewing, nor shall its approval of an Improvement to Property be deemed approval of, any Improvement to Property from the standpoint of safety, whether structural or otherwise, or conformance with building codes, approved subdivision plats and development plans, or other governmental laws or regulations. Members of the Design Review Committee shall be indemnified by the Association to the same extent as the Board of Directors of the Association.

5.22 Construction Period Exception. During the course of actual construction of any permitted structure or Improvement to Property, so long as construction is being prosecuted with reasonable diligence, the DRC shall temporarily suspend the provisions contained in this Declaration as to the Lot upon which the construction is taking place to the extent determined by the DRC to be necessary to permit such construction to proceed in a reasonable manner. Any such temporary suspension may be revoked by the DRC upon its determination that construction is not being diligently prosecuted. No such temporary suspension shall permit anything to be done which will result in a violation of any of the provisions of this Declaration upon completion of construction or shall permit anything to be done which will constitute a nuisance or unreasonable interference with the use and enjoyment of other property within the Community.

5.23 Exclusions. Any Owner may remodel, paint or redecorate the interior of the Dwelling Unit on such Owner's Lot without approval. However, modifications to the interior of screened porches, patios, and similar portions of a Lot visible from outside the structures on the Lot shall be subject to approval. No approval shall be required to repaint the exterior of a Dwelling Unit in accordance with the originally approved color scheme or to rebuild in accordance with originally approved plans and specifications. All Dwelling Units constructed on any portion of the Community shall be designed by and built in accordance

with the plans and specifications of a licensed architect or licensed building designer.

5.24 Declarant's and AG's Exemption. Nothing contained in this Declaration shall be construed to prevent the erection or maintenance by Declarant or AG, or the duly authorized agents of either, of temporary structures, trailers, improvements or signs necessary or convenient to the development, marketing, or sale of property within the Community. Furthermore, the provisions of this Declaration which prohibit or restrict non-residential use of Dwelling Units, regulate parking of vehicles, and restrict signage, banners, and the like, shall not prohibit the construction and maintenance of model homes by Declarant, AG, and/or other persons engaged in the construction of residences within the Community. The Declarant and AG may use any area of the Community for parking in connection with the showing of model homes or for vehicles necessary for development and construction activities.

ARTICLE 6 INSURANCE.

6.1 Insurance. To the extent reasonably available, the Association shall obtain and maintain insurance coverage as set forth in this Article 6. If such insurance is not reasonably available, or if any policy is canceled, or not renewed, without a replacement policy having been obtained, the Association shall cause notice of that fact to be hand delivered or sent prepaid by United States mail to all Owners at their respective last known addresses.

6.2 Property Insurance Coverage. The Association shall maintain a blanket policy of property insurance covering the entire Community, including the Common Area and all buildings including all Dwelling Units, fixtures, and building services equipment as provided in the Act. The property insurance will be for an amount equal to one hundred percent (100%) of the full insurable replacement cost of the insured property less applicable deductibles, exclusive of items normally excluded from property policies, such as land, foundations, and excavations. The Board of Directors is authorized to obtain appraisals periodically for the purpose of establishing replacement cost of the property, and the cost of such appraisals shall be a Common Expense. Without limiting the foregoing:

(a) The property insurance policy shall exclude land and other items not normally and reasonably covered by such policies. The policy shall be an "all in" or "all inclusive" insurance as those terms are used in the insurance industry and shall include insurance for any fixture, improvement, or betterment installed in or to a Dwelling Unit or any Limited Common Areas or otherwise permanently part of or affixed to Common Areas, Dwelling Units, or Limited Common Areas, including but not limited to floor coverings, cabinets, light fixtures, electrical fixtures, heating and plumbing fixtures, paint, wall coverings, windows.

(b) At a minimum, the policy shall afford protection against loss or damage by: (1) fire, windstorm, hail, riot, aircraft, vehicles, vandalism, smoke, and theft; and (2) all perils normally covered by "special form" property coverage.

(c) The policy shall include either of the following endorsements to assure full insurable value replacement cost coverage: (1) a Guaranteed Replacement Cost Endorsement under which the insurer agrees to replace the insurable property regardless of the cost; and (2) a Replacement Cost Endorsement under which the insurer agrees to pay up to one hundred percent (100%) of the Property's insurable replacement cost but not more. If the policy includes a coinsurance clause, it must include an "Agreed Amount Endorsement" which must waive or eliminate the requirement for coinsurance.

(d) Each property policy that the Association is required to maintain shall also contain or provide for the following: (i) "Inflation Guard Endorsement," if available, (ii) "Building Ordinance or

Law Endorsement,” (the endorsement must provide for contingent liability from the operation of building laws, demolition costs, and increased costs of reconstruction), and (iii) “Equipment Breakdown,” if the project has central heating or cooling or other equipment or other applicable fixtures, equipment, or installation, which shall provide that the insurer’s minimum liability per accident at least equals the lesser of two million dollars (\$2,000,000) or the insurable value of the building containing the equipment.

6.3 Commercial General Liability Insurance. The Association shall obtain commercial general liability insurance in an amount determined by the Board of Directors. Reasonable amounts of umbrella liability insurance in excess of the primary limits may also be obtained. This insurance shall cover all occurrences commonly insured against for death, bodily injury and property damage arising out of or in connection with the use, ownership, existence, or maintenance of the Common Areas and the activities of the Association; and may also include, if applicable, comprehensive automobile liability insurance, garage keeper’s liability, liability for property of others, host liquor liability, contractual liability, and such other risks as determined by the Board.

6.4 Other Insurance. In addition, the Association shall maintain insurance as required by applicable law or applicable regulation, and including fidelity coverage and personal liability insurance to protect directors and officers of the Association from personal liability in relation to their duties and responsibilities in acting as Directors and/or officers on behalf of the Association. In addition, the Association may maintain insurance against such other risks as the Board of Directors may determine, including workers’ compensation insurance, and may maintain insurance on such other property and/or against such other risks, as the Board of Directors may determine.

6.5 General Provisions of Insurance Policies. All policies of insurance carried by the Association shall be carried in blanket policy form naming the Association as insured, or its designee as trustee and attorney-in-fact for all Owners, and each Owner shall be an insured person under such policies with respect to liability arising out of any Owner’s membership in the Association. Additionally, each Owner and each Mortgagee shall be beneficiaries of the policy in a percentage equal to the Owner’s Allocated Interest. The policy or policies shall contain a standard non-contributory Mortgagee’s clause in favor of each Mortgagee and a provision, if available, that it cannot be canceled or materially altered by either the insured or the insurance company until thirty (30) days prior written notice thereof is given to the insured and each Mortgagee, insurer or guarantor of a Mortgage on the Lot insured by such insurance policy. The Association shall furnish a certified copy or duplicate original of such policy or renewal thereof, with proof of premium payment and a certificate identifying the interest of the Owner in question, to any party in interest, including Mortgagee, upon request. All policies of insurance carried by the Association shall also contain waivers of subrogation by the insurer against any Owner or member of such Owner’s household. Further, all policies of insurance carried by the Association shall also contain waivers of any defense based on invalidity arising from any acts or neglect of an Owner where such Owner is not under the control of the Association.

6.6 Deductibles. If permitted by the Act, the deductible on any claim made under a policy maintained by the Association shall be allocated among all Owners if the loss affects the Common Areas or all the Lots in the Project or, if the loss affects or impacts less than all the Lots in the Project, the deductible shall be allocated among the Owners of affected Lots. In furtherance of the foregoing, but only in accordance with and subject to the limitations of Utah Code Section 57-8a-405(6) and (7), the Board may adopt and establish written non-discriminatory rules and regulations or policies and procedures relating to the responsibility for deductibles. Such rules, regulations or policies may, to the extent permitted by law, provide that any loss, or any portion thereof, which falls within the deductible portion of a policy that is carried by the Association, must be borne by the Person who is responsible for the repair and maintenance of the property which is damaged or destroyed, may be apportioned among the Persons sharing in a joint

duty of repair and maintenance, and/or may be partly or wholly borne by the Association, and/or may be shared by any such Person(s) and the Association, all at the election of the Board of Directors. After Notice and Hearing, the Association may determine that a loss, either in the form of a deductible to be paid by the Association or an uninsured loss, resulted from the act or negligence of one or more Owners; and, upon said determination by the Association, any such loss, or any portion thereof, may be assessed to the Owner(s) in question and the Association may collect such amount(s) from said Owner(s) as a Specific Assessment.

6.7 Right to Negotiate All Claims and Losses and Receive Proceeds. Insurance proceeds for a loss under the Association's property insurance policy are payable to the Association, and shall not be payable to a holder of a security interest. The Association shall hold any insurance proceeds in trust for the Association, Owners, and lien holders. Insurance proceeds shall be disbursed first for the repair or restoration of the damaged property, if the property is to be repaired and restored as provided for in this Declaration. After the damaged property has been completely repaired or restored, any remaining proceeds shall be paid to the Association. If the property is not to be repaired or restored, or if there are remaining proceeds after such action as is necessary related to the property has been paid for, the remaining proceeds may be distributed to the Owners and lien holders, as their interests remain with regard to the Dwelling Units or may be held as credits in accordance with their interest in the Association. Each Owner hereby appoints the Association as attorney-in-fact for negotiating all losses related thereto, including the collection, receipt of, and appropriate disposition of all insurance proceeds; the execution of releases of liability; and the execution of all documents and the performance of all other acts necessary to administer such insurance and any claim. This power-of-attorney is coupled with an interest, shall be irrevocable, and shall be binding on any heirs, personal representatives, successors, or assigns of the Owner.

6.8 Owner Act Cannot Void Coverage Under Any Policy. Unless an Owner is acting within the scope of the Owner's authority on behalf of the Association and under direct authorization of the Association, an Owner's act or omission may not void an insurance policy or be a condition to recovery under a policy.

6.9 Waiver of Subrogation against Owners and Association. All property and commercial general liability policies must contain a waiver of subrogation by the insurer as to any claims against the Association, Declarant, and the Owners and their respective affiliates, agents, and employees.

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

6.11 Insurance to be Maintained by Owners. An insurance policy issued to the Association does not obviate the need for Owners to obtain insurance for their own benefit. Insurance coverage on each Owner's Lot, and the Improvements thereon, as well as on personal property, furnishings and fixtures belonging to an Owner and liability insurance coverage on each Lot, shall all be the responsibility of the Owner of such Lot. Each Lot shall be insured in an amount not less than the full replacement cost of the Improvements thereon, less applicable deductibles, and excluding items normally excluded from property policies such as land, foundations and excavations. In furtherance of the foregoing, Owners should obtain, at their cost and expense HO6 or HO3 policies of insurance, as applicable, to the extent the same are

available.

ARTICLE 7 DAMAGE OR DESTRUCTION.

7.1 Damage or Destruction.

(a) Any portion of the Community for which property insurance is carried by the Association, and which is damaged or destroyed, must be repaired or replaced promptly by the Association except as may otherwise be provided in the Act.

(b) The cost of repair or replacement that is covered by insurance carried by the Association, but which is in excess of insurance proceeds and reserves, is an Association expense, subject to the Board’s authority to allocate deductibles as provided for in Article 6 above. The insurance proceeds attributable to the portions of the Community that are damaged or destroyed must be used to restore the damaged area to a condition compatible with the remainder of the Community and, except to the extent that other Persons will be distributees, the remainder of the proceeds must be distributed to all the Owners or lienholders, as their interests may appear, in proportion to their Allocated Interest in payment of Common Expenses.

7.2 Damage or Destruction of Structures on Lots. Except as otherwise provided in Section 7.1 hereof, any damage to or destruction of any structure or Improvement located on a Lot shall be promptly repaired and replaced by the Owner(s) thereof, in accordance with this Declaration. “Repaired and replaced,” as used in this Section, shall mean restoring the structure or Improvement to substantially the same condition in which it existed immediately prior to such damage or destruction, including having the same boundaries as before, unless otherwise approved in accordance with this Declaration. Except as otherwise provided in this Declaration, the cost of such repair or replacement shall be the personal obligation of the Owner(s) of the Lot(s) on which such work was performed.

ARTICLE 8 EXTERIOR MAINTENANCE OF LOTS AND DWELLING UNITS.

8.1 General. Except as expressly set forth in this Declaration or otherwise indicated by the Board in writing, each Owner shall, at all times, maintain, repair and replace such Owner's Lot, and all Improvements on said Lot, including, but not limited to, the Dwelling Unit. The maintenance, repair and replacement described in this Section 8.1 shall be performed at such Owner’s sole cost and expense. Owners are responsible for snow removal from public sidewalks adjoining their respective Lots, the garage aprons and sidewalks leading to the front door of the Dwelling Unit on their respective Lots unless the Board, in its discretion, elects to have the Association provide such services. Without limiting the foregoing:

(a) Each Owner shall be responsible for maintenance, repair and replacement of their own Dwelling Unit and the improvements located thereon, including without limitation maintaining and keeping in good condition and repair the Dwelling Unit, the underground utility lines and appurtenances which are intended to provide for various utility services to and from its Dwelling Unit (“**Utility Lines**”), and the Party Wall within such Owner’s Unit and any components affected by such Party Wall such as the roof, and for paying all costs, expenses and fees thereof. Each Owner shall maintain the exterior of its Dwelling Unit in a manner that, in addition to complying with the requirements of this Declaration, is generally consistent and harmonious with the exterior appearance of the Adjacent Unit with which it shares a Party Wall. This exterior maintenance obligation shall include consistent and harmonious exterior façades, including without limitation paint color and façade materials, and shall also require that repair, replacement, upkeep and maintenance of such items be handled in a consistent and uniform manner. The Owner of a Dwelling Unit and the Owners of the Adjacent Unit that shares a Party Wall shall endeavor to cooperate with respect to all such matters of shared interest with respect the exterior maintenance of their

Adjacent Units, including but not limited to: (i) performing exterior maintenance, repairs and replacements using the same exterior materials; (ii) using the same or complimentary color schemes for painting of the exterior of the building, including trim, door(s) and siding; (iii) using the same color and type of roofing materials; and (iv) the repair, replacement, or change in any other physical, exterior elements of the building.

(b) The painted or stained exterior building components of a Dwelling Unit, such as siding and trim, shall be repainted or re-stained by the Owner of the Dwelling Unit as necessary to keep the building in good condition and repair at all times and to prevent the peeling or other failure of the painted or stained surfaces. Each Owner shall repair or replace the roofing material of the Owner's Dwelling Unit if the roof leaks, suffers damage, deteriorates or otherwise fails to perform its weatherproofing function.

(c) Except as expressly provided below, any material alteration (including replacement) or change in the roof of the building ("**Building Roof**") or any portion of the exterior wall covering or trim of the building that is shared between Adjacent Units within the building ("**Shared Siding**") may only be made by the mutual written agreement of the Owners of the Adjacent Units. To the extent that any such alteration or change results in a structural alteration to the building, the alteration or change must be made in accordance with plans prepared by a licensed engineer or architect. No Owner of a Dwelling Unit shall have the right to destroy, remove, or make any changes, extensions or modifications of the Building Roof or Shared Siding which would jeopardize the proper functioning, weatherproofing or the structural integrity of an Adjacent Unit without the prior written consent of the Owner(s) of such Adjacent Unit. However, the foregoing consent requirements do not restrict or hinder an Owner from undertaking the maintenance, repair or replacement of that portion of the Shared Siding on its Dwelling Unit or the Building Roof above its Dwelling Unit and so much of the Shared Siding or Building Roof of an Adjacent Unit that is necessary to protect and weatherproof such Owner's Dwelling Unit without the consent of the Owner of the Adjacent Unit in cases where the other Owner does not cooperate to perform such maintenance, repair or replacement or otherwise refuses to pay an equitable share of performing such maintenance, repair or replacement of the Shared Siding or Building Roof. In such event, the Owner needing to maintain, repair or replace the Shared Siding or Building Roof of such Owner's Dwelling Unit may, upon written notice, enter upon the Lot and the exterior portions of the Adjacent Unit to make the necessary maintenance, repair or replacement of the Shared Siding and the Building Roof. In such case, the Owner performing such maintenance, repair or replacement shall be entitled to bring suit for reimbursement against the Owner of the Adjacent Unit for that portion of the cost of the work, based on a per square foot price, attributable to the maintenance, repair or replacement of that portion of the Building Roof located over the Adjacent Unit or the Shared Siding located on the Adjacent Unit, and pursue any other rights or remedies at law or in equity. To the extent permitted by law, the Owner(s) entitled to reimbursement as provided above shall have the right to record a lien against the non-paying Owner's Unit and improvements for the amount of such payment, plus costs, reasonable attorneys' fees, and interest. The right of any Owner to contribution under this Declaration from the Owner of an Adjacent Unit is appurtenant to the Property and is binding on such Owner's successors in title.

(d) Each Lot shall be subject to a perpetual easement in favor of the Owner of an Adjacent Unit (subject to this Declaration), including each Owner's agents, employees and contractors, for the use and operation of the Shared Siding and Building Roof and for performing maintenance, repair and/or replacement, as provided in this Article, during reasonable daytime hours after reasonable notice to the Owner or occupants of the Adjacent Unit, except that in emergency situations entry upon a Unit may be made at any time provided that the Owner or occupants of such Adjacent Unit shall be notified of emergency entry as soon as reasonably possible. However, the interior of any Unit shall not be subject to the foregoing right of access unless necessary maintenance, repairs or replacements cannot be properly performed without

access to the interior.

(e) An Owner of a Dwelling Unit whose negligence or willful acts or failure to maintain the exterior weatherproofing integrity of such Owner’s Dwelling Unit results in causing damage to an Adjacent Unit or causes an Adjacent Unit to be exposed to the elements shall bear the entire reasonable cost of repairing such damage and furnishing the necessary protection against such elements.

(f) Owners shall cooperate with each other with respect to any matter(s) specified in this Declaration. The extent, scope, nature, and all other aspects of such cooperation may be set by the participating Owners at any time and may include, without limitation, the following: maintenance, repair, and replacement; insurance; using the same agents, contractors or subcontractors; and any other matter(s). The Owners shall cooperate with one another in applying for building and other governmental permits that may be necessary from time to time in connection with the renovation, maintenance and repair of a Party Wall and related components within the Units or related to Utility Lines.

8.2 Association’s Right to Repair, Maintain and Replace. In addition to any other enforcement rights, if, following conveyance of the Lot by Declarant, an Owner fails to properly perform his maintenance, repair and/or replacement obligations, the Association may record a notice of violation or noncompliance or, after Notice and Hearing to the Owner of the Lot, perform any or all of such required maintenance, repair or replacement and assess all costs incurred against the Lot and the Owner as a Specific Assessment. Any person authorized by the Board of Directors shall have the right of access to all portions of any Lot other than the interior of the Dwelling Unit for the purpose of performing emergency repairs or to do other work reasonably necessary for the proper maintenance of the Community. Notwithstanding any contrary provision of this Section 8.2, in case of an emergency, no request or advance notice is required and the right of entry shall be immediate, and with as much force as is reasonably necessary to gain entrance, whether or not the Owner is present at the time.

8.3 Maintenance of and Non-Interference with Grade and Drainage; Irrigation Recommendations Around Foundations and Slabs.

(a) Following the conveyance of the Lot by Declarant, each Owner shall maintain the grading on his or her Lot (including grading around the foundation of the building constructed thereon) at the slope and pitch fixed by the final grading thereof so as to maintain the established drainage. For purposes of this Section, “established drainage” is defined as the drainage that exists at the time final grading by the Declarant is completed.

(b) Following the conveyance of the Lot by Declarant, any change in established drainage by an Owner is discouraged. However, if an Owner (other than Declarant) desires to change the established drainage on his Lot, it shall be the sole responsibility of such Owner to provide adequate alternative drainage for both the Owner’s Lot and all other property that may be affected by such change. To ensure that adequate alternative drainage is provided, the Owner desiring to change the established drainage on his Lot must submit to the Board and the DRC for their review and approval, plans and specifications for alternative drainage which have been prepared and certified by a qualified, licensed professional. Any damages incurred by another Owner, the Association or any other Person due to a change in the established drainage of a Lot, shall be the sole liability of the Person who changed such established drainage.

(c) No approval of a proposed Improvement shall in any way imply that the Association, the DRC, the Board of Directors, or Declarant, has reviewed or approved any change in the established drainage of a Lot. Neither the Association, nor the DRC, nor the Board of Directors, nor the

Declarant, shall be liable for any damages incurred by any Owner or other Person due to a change in the established drainage.

(d) Each Owner and the Association acknowledge that neither the Owner of a Lot nor the Association should plant flower beds (especially annuals), vegetable gardens or other landscaping which requires regular watering, within five (5) feet of the foundation of the Dwelling Unit. If evergreen shrubbery is located within five (5) feet of any foundation wall or slab, then the Owner of the Lot (other than Declarant) or the Association, as applicable, should water such shrubbery only by controlled hand-watering, and should avoid excessive watering. Further, piping and heads for sprinkler systems should not be installed within five (5) feet of foundation walls or slabs.

8.4 Acts or Omissions. Notwithstanding anything to the contrary herein, in the event that the need for maintenance, repair or replacement of or within any property or Improvement, is caused by the act or omission of any Owner, or by the act or omission of such Owner's Permittees, the cost of such repair, maintenance, replacement or expense to avoid such damage shall be the personal obligation of such Owner to the extent that said Owner would be liable for the acts of such Persons under the laws of the State of Colorado; and any costs, expenses and fees incurred by the Association for such maintenance, repair or replacement shall become a Specific Assessment against such Owner and his Lot. A determination of the act or omission of any Owner, or such Owner's Permittees, and the amount of the Owner's liability therefor, shall be determined by the Association following Notice and Hearing.

ARTICLE 9 RESTRICTIONS

9.1 Restrictions Imposed. This Community is subject to the following restrictions, as well as all provisions of any Plat, development plan and/or matter of record applicable to the Community or any portion thereof, as well as the covenants, conditions, restrictions, easements and licenses in the documents identified in Exhibit B attached hereto and incorporated herein by this reference. These restrictions are general in nature and the Board shall have the power to adopt, amend, repeal and enforce further or additional Rules which modify, limit, create exceptions to or expand, the initial use restrictions set forth in this Article 9 as the Board deems to be reasonable and necessary to carry out the intent of this Declaration, and in accordance with its duty to exercise reasonable business judgment.

9.2 Compliance With Law. All Owners, all Permittees, and all other Persons, shall comply with all applicable federal, state, and local statutes, ordinances, laws, regulations, rules and requirements, of all governmental and quasi-governmental entities, agencies and authorities with respect to the applicable Lot and the use thereof, provided however, the Association does not have any duty to enforce such governmental laws and regulations.

9.3 Residential Use; Certain Permitted Business Activities. Subject to Declarant's right to exercise the Special Declarant Rights, Lots and Dwelling Units shall be used for residential use only, including uses which are customarily incident thereto, and shall not be used at any time for business, commercial or professional purposes except as expressly permitted herein. Notwithstanding the foregoing, however, Owners and/or their Permittees residing at the Dwelling Unit may conduct business activities within their Dwelling Units provided that all of the following conditions are met to the satisfaction of the Board:

(a) The business conducted is clearly secondary to the residential use of the Dwelling Unit and is conducted entirely within the Dwelling Unit;

- (b) The existence or operation of the business is not detectable from outside of the Dwelling Unit by sight, sound, smell, vibration or otherwise, or by the existence of signs indicating that a business is being conducted;
- (c) The business does not result in an undue volume of traffic or parking within the Community;
- (d) The business conforms to all zoning provisions and is lawful in nature; and
- (e) The business conforms to all Rules.

9.4 Animals. Except as may be permitted by the Board through adopted Rules, no horses, livestock, birds, poultry, reptiles, insects or other animals of any kind shall be raised, bred, kept or boarded in the Community; provided, however, that the Owners of each Lot may keep a reasonable number of bona fide household pets (including dogs, cats and other domestic animals approved by the Board), so long as such pets are not kept for any commercial purpose and are not kept in such number or in such manner as to create a nuisance to any resident of the Community. The Association shall have, and is hereby given, the right and authority to do the following as well as take such other action(s) with regard to these matters as the Board of Directors may determine: set a maximum number of household pets; regulate the type(s) of animals that are permitted to be kept; determine that any dog(s), cat(s) or pet(s) or other animals are being kept for commercial purposes or are being kept in such number or in such manner as to be unreasonable or to create a nuisance; determine that an Owner is in violation of the leash laws of the applicable jurisdiction or other governmental laws, ordinances, or other provisions; or determine that an Owner is otherwise in violation of any provision of the Governing Documents. If the Board determines that any of the foregoing have been or are being violated, the Association may take any action(s) it determines appropriate, including requiring permanent removal of the pet. An Owner's right to keep household pets is coupled with the responsibility to pay for any damage caused by such pets, as well as all costs incurred by the Association as a result of such pets, and all such costs and damages shall be subject to all of the Association's rights with respect to the collection and enforcement of Assessments as provided in this Declaration.

9.5 Miscellaneous Improvements.

- (a) No advertising or signs of any character shall be erected, placed, permitted or maintained except as set forth in the Rules.
- (b) Except as may be permitted in writing, by the Board, no wood piles or storage areas shall be so located as to be visible from a street, from the ground level of any Lot or from any Common Area.
- (c) No exterior radio antenna, television antenna, or other antenna, satellite dish, or audio or visual reception device of any type shall be placed, erected or maintained on any Lot, except inside a Dwelling Unit or otherwise concealed from view; provided, however, that any such devices may be erected or installed by the Declarant during its development, sales or construction; and provided further, however, that the requirements of this subsection shall be subject to the Telecommunications Act of 1996 and applicable regulations.
- (d) No fences shall be permitted, except such fences as may be constructed, installed or located by Declarant or a Builder.

9.6 Vehicular Parking, Storage and Repairs.

(a) No house trailer, camping trailer, boat trailer, hauling trailer, snowmobile, jet ski, boat, or accessories thereto, self-contained motorized recreational vehicle, or other type of recreational vehicle or equipment, may be parked or stored on a Lot unless such parking or storage is entirely within the garage of any Dwelling Unit or will be suitably screened from view in accordance with the Design Guidelines. The Board may regulate the parking of vehicles on a Lot and other portions of the Community through the adoption and enforcement of reasonable Rules.

(b) The Association reserves the right to adopt Rules providing for, prohibiting, regulating, or restricting parking on any of the Common Areas.

(c) In the event the Association determines that a vehicle is parked or stored in violation of this Section 9.6 or any other Rules, then a written notice describing said vehicle may be personally delivered to the owner thereof (if such owner can be reasonably ascertained) or may be conspicuously placed upon the vehicle (if the owner thereof cannot be reasonably ascertained), and if the vehicle is not removed within a reasonable time thereafter, as determined by the Board of Directors, the Association shall have the right to remove the vehicle at the sole expense of the owner thereof.

9.7 Temporary Structures: Unsightly Condition. Except as hereinafter provided or in the Design Declaration, no structure of a temporary character, including a house trailer, shack, storage shed, or outbuilding, shall be placed or erected upon any Lot; provided, however, that during the actual construction, alteration, repair or remodeling of a structure or other Improvement, necessary temporary structures for storage of materials (and with respect to the Declarant, construction and sales trailers) may be erected, placed and maintained by the Person doing such work. The work of constructing, altering or remodeling any structure or other Improvements shall be prosecuted diligently from the commencement thereof until the completion thereof. Further, no unsightly conditions, structures, facilities, equipment or objects shall be located on any Lot as to be visible from a street or from any other Lot.

9.8 Nuisances. No nuisance shall be permitted which is visible within or otherwise affects the Community or any portion thereof, nor any use, activity or practice which unreasonably interferes with the peaceful enjoyment or possession and proper use of other Lots in the Community or any portion thereof. As used herein, the term "nuisance" shall include each violation of the Governing Documents, but shall not include any activities of Declarant or Builders. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done or placed on any Lot which is a nuisance or causes unreasonable embarrassment, disturbance or annoyance to others.

9.9 No Hazardous Activities; No Hazardous Materials or Chemicals. No activities shall be conducted on any Lot, or within Improvements constructed on any Lot, which are unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms shall be discharged in the Community, and no open fires shall be permitted on any Lot, except in a contained cooking appliance while attended and in use for cooking purposes, or within a fireplace and/or fire pit, or except such campfires or picnic fires on property which may be designated for such use by the Association. Further, no hazardous materials or chemicals shall at any time be located, kept or stored in, on or at any Lot except such as may be contained in household products normally kept at homes for use of the residents thereof and in such limited quantities so as to not constitute a hazard or danger to person or property.

9.10 No Annoying Lights, Sounds or Odors. No light shall be emitted from any Lot which is unreasonably bright or causes unreasonable glare; no sound shall be emitted from any Lot which is unreasonably loud or annoying (exclusive of the sounds of normal construction activity during any period of permitted construction); and no odor shall be permitted from any Lot which is unreasonably noxious or

offensive to others. For the avoidance of any doubt, however, exterior lighting approved by (and installed in accordance with any requirements of) the DRC will not be deemed to constitute a nuisance or violation of this Section 9.10.

9.11 Restrictions on Trash and Materials. No refuse, garbage, trash, lumber, grass, shrubs or tree clippings, plant waste, metal, bulk materials, scrap or debris of any kind shall be kept, stored, or allowed to accumulate on any Lot. Compost shall be kept in a suitable container with an attached lid located in a screened area solely for the purpose of composting, subject to any Rules governing the same. All equipment for the storage or disposal of trash and refuse shall be kept in a clean and sanitary condition. No garbage containers, trash containers or recycling containers shall be maintained in an exposed or unsightly manner. If the Board elects not to provide trash collection and disposal services as provided in Section 3.7, each Owner must contract with a third party competent provider of trash collection and disposal service for service to its Lot. The Board may require all Lots to be served by designated trash collection and disposal companies irrespective of whether the Association signs a master service contract with such company or companies.

9.12 [intentionally omitted]

9.13 Repair and Reconstruction of Improvements on Lots. No Owner shall permit an Improvement on such Owner's Lot to fall into disrepair, and each such Improvement shall at all times be kept by the Owner thereof in good condition and repair, and adequately painted, or otherwise finished by such Owner, before the surfacing becomes weather beaten or worn off. Further, as to Improvements on a Lot which may be destroyed in whole or in part by fire, hail, windstorm or any other cause or act of God, the same shall be rebuilt and/or repaired by the Owner of such Lot within a reasonable time after destruction, as determined by the Board, or all debris promptly removed by such Owner, so as not to render any such property, or any portion thereof, as determined by the Board, unsanitary, unsightly, offensive or detrimental to any other property or to its occupants.

9.14 Leases. The term "lease," as used herein, shall include any agreement or arrangement for the occupancy of a Lot or Dwelling Unit on the Lot by a Person other than the Owner or members of the Owner's family, with or without the contemporaneous occupancy by the Owner or members of the Owner's family, including month-to-month rentals, shorter term rentals, long-term rentals, and subleases, and "leases" shall mean collectively all leases then in effect. Any Owner has the right to lease his Lot, or any portion thereof, under the following conditions:

(a) All leases shall be in writing; and

(b) Unless otherwise approved by the Board as part of the Rules, all leases shall provide that the terms of the lease and lessee's occupancy of the leased premises shall be for no less than thirty (30) days, be subject in all respects to the Governing Documents; and that any failure by the lessee to comply with any of the Governing Documents, in any respect, shall be a default under the lease, enforceable by the Association as a third party beneficiary and in the same manner as if the Association were the landlord. Upon request thereof by the Association, the respective Owner shall provide the Association with a copy of any subject lease.

9.15 Solar Energy Systems. Solar energy systems and equipment are prohibited from being constructed or installed in the Community. Notwithstanding the forgoing, if the Board elects to allow solar energy systems in the Community, the Board may adopt Rules for the installation of solar panels or other energy conservation equipment in the Design Guidelines. Any such rules must require that the installation be an integral and harmonious part of the architectural design of the Lot, Dwelling Unit, or townhome buildings. Solar panels or other equipment shall not be installed so as to be visible from the streets in the

Community without prior approval from the DRC as a variance. Owners shall be responsible for the costs of the installation, operation, and maintenance of each solar energy system. If an approved solar energy system (installation, operation, maintenance, or otherwise) causes costs to the Association, then the Board may allocate these costs to the Owner who requested or benefit from the installation as the Board in its sole discretion determines. The costs arising under this Section shall be assessed and collected as an Individual Assessment. The DRC or the Board shall have the sole discretion to determine compliance with the Design Guidelines and this Section.

9.16 Variances. The Association may, in extenuating circumstances, grant variances from the restrictions set forth in this Article if the Board determines in its discretion (by unanimous vote): (i) that the restriction would create an unreasonable hardship or burden on an Owner or Occupant, (ii) that a change of circumstances since the recordation of this Declaration has rendered such restriction obsolete and unreasonable to enforce, or (iii) that the activity permitted under the variance will not have any financial affect or any other substantial adverse effect on the Association or other Owners and Occupants of the Community and is consistent with the high quality of life intended for residents of the Community. Any such variance shall be unenforceable and without any effect whatsoever unless reduced to writing and signed by every member of the then-existing Board. No variance may be granted that is inconsistent with the Act.

9.17 Declarant and AG Exception. So long as the Declarant owns a Dwelling Unit in the Community, Declarant shall be exempt from the restrictions contained in this Article. So long as AG owns any portion of the Property, AG shall be exempt from the restrictions contained in this Article.

ARTICLE 10 PARTY WALLS AND SHARED FEATURES

10.1 General Rules of Law to Apply. To the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply to Party Walls within the Community.

10.2 Use; Modification. The Owner of each Lot on either side of a Party Wall shall have the full right to use the Party Wall support joists, crossbeams, studs and other structural members as may be required for support of the improvements located upon such Lot, and for the reconstruction or remodeling of such improvements. Notwithstanding the foregoing sentence, however, no such use shall injure the improvements located on or within the adjacent Lot, impair the structural support to which any such improvements are entitled under this Declaration, nor impair the use of the Party Wall by the Owner of the adjacent Lot. Except with respect to the finished surface of a Party Wall located within a Dwelling Unit on a Lot, no extension or modification of a Party Wall may be made by or for an Owner unless the prior consent to such extension or modification has been given, in writing, by the Owner of the adjacent Lot, and by all holders of first lien mortgages or first lien deeds of trust on both of such adjacent Lot.

10.3 Sharing of Repair and Maintenance Costs. The costs of reasonable repair and maintenance of a Party Wall shall be paid equally by the Owner(s) of each of the Lots on either side of the Party Wall; provided that the cost of repairs and maintenance of the finished surface of a Party Wall located within a Lot shall be the sole expense of the Owner of the Lot in which the finished surface is located. If a Party Wall is damaged or destroyed, either Owner shall have the right to restore it. Except as otherwise provided below, the two Lots that share such Party Wall share equally the costs and expenses of such restoration. Without limiting the generality of the foregoing, any Owner may call for a larger contribution from the other Owner under any rule of law regarding liability for negligent or willful acts or omissions and as provided below. For purposes of this paragraph, "restore" and "restoration" means restoring the Party Wall to substantially the same condition in which it existed immediately prior to such damage or destruction. To

the extent that such damage or destruction is covered by insurance, then the full insurance proceeds shall be used and applied to restoration. If the insurance proceeds are insufficient to fully pay for such restoration, then any such deficiency shall be paid equally by the two Lots that share the Party Wall (subject to a set off if the insurance proceeds for either Lot exceed the insurance proceeds for the other Lot, and subject to this Section 10.3 below). The cost of any repair of a utility line shall be the responsibility of the Lot which is served by such utility line. In the event an Owner neglects or refuses to pay its share of costs as provided in this Section 10.3 for repair, maintenance and restoration within twenty (20) days after receipt of a written request for payment, then the Owner of the adjacent Lot may pay such share of the cost therefor, and the paying Owner shall have the right to record a lien against the non-paying Owner's Lot and improvements for the amount of such payment, plus costs, reasonable attorneys' fees, and interest at the rate of two percentage points above the prime rate as published in the *Wall Street Journal*, which may be foreclosed in the same manner as a mechanic's lien in Utah. If the need for maintenance, repair, restoration or replacement of a Party Wall or any other property or improvements on an adjacent Lot or Utility Lines is caused by the willful or negligent act or omission of one of the Owners, any member of such Owner's family, by a guest or invitee of such Owner, or by such Owner's tenants or subtenants (collectively, the "**Owner Parties**"), the costs of the necessary maintenance, repair, restoration and reconstruction shall be the personal obligation of such Owner.

10.4 Repair to Monolithic Slabs and Monolithic Foundations. If any monolithic slab requires repair, the entire monolithic foundation shall be involved in the repair process. Subject to Section 10.3 above, the Owners and occupants of each of the two Lots on which such monolithic foundation is located shall cooperate regarding repairs to such foundation.

10.5 Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes a Party Wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

10.6 Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner of a Lot sharing a Party Wall under this Article shall be appurtenant to and run with the land and shall pass to such Owner's successors in title to the Lot to which such Owner's membership pertains.

10.7 Right of Owners. The Owners of each Lot with a Party Wall shall have the following rights:

(a) A perpetual and reciprocal easement in and to that part of the adjacent Lot on which such Party Wall is located, for Party Wall purposes only, including mutual support, maintenance, repair and inspection. For the purposes of repairing or maintaining a Party Wall, the Owners of each Lot with a Party Wall are granted the right to enter onto the adjacent Lot which has the same Party Wall and to go inside any residence or other Improvements thereon to do work necessary in the exercise of rights provided herein at all reasonable times after reasonable notice to the occupants of such adjacent Lot, or immediately in the event of an emergency.

(b) After reasonable notice to the occupants of the adjacent Lot on which a Party Wall is located, the Owner of a Lot which has such Party Wall thereon shall have the right to enter an appurtenant Party Wall for the purposes of repairing or restoring sewer, water, or other utilities located within such Party Wall, subject to the obligation to restore such Party Wall to its previous structural condition at the sole cost and expense of the Owner who effectuates such entry.

(c) Each Owner of a Lot shall maintain the exterior of the Dwelling Unit on its Lot in a manner that, in addition to complying with the requirements of this Declaration, is generally consistent

and harmonious with the exterior appearance of the adjacent Lot with which it shares a Party Wall. This shall include consistent and harmonious exterior paint color and materials, and shall also require that repair, replacement, upkeep and maintenance of such items be handled in a consistent and uniform manner. Any exterior changes to an Improvement shall be governed by and subject to the terms and conditions of the Declaration.

ARTICLE 11 EASEMENTS AND LICENSES

11.1 Easements and Licenses. The Community is subject to easements and licenses identified in Exhibit B attached hereto. In addition to any other easements that may be granted or reserved elsewhere in this Declaration, the Plat, or other documents, the following Sections describe easements to which the Community is or may be subject.

11.2 Access Easement. Each Owner hereby grants to the Association, and to its agents, employees and contractors, a right and easement on, over, under, across and through such Owner's Lot, for access to, and maintenance, repair and replacement of Improvements as permitted or required in this Declaration; to utility providers, their contractors, agents and employees, for access to, inspection, maintenance, repair and replacement of utility meters, lines and appurtenances; and to the Association, for and incidental to inspection and/or enforcement, and incidental to any term or provision of any of the Governing Documents. If damage is inflicted, or a strong likelihood exists that it will be inflicted, on the Common Area, any Improvement, any other property, or any Lot, the Owner responsible for the damage, or expense to avoid damage, or the Association if it is responsible, is liable for the cost of prompt restoration and repair. Further, the rights and easements granted in this Section may be exercised only during reasonable hours after reasonable notice to the Owner(s) or occupant(s) of any affected Lot; except that no such notice shall be required in connection with any exterior, non-intrusive entry; and except that in emergency situations entry upon a Lot may be made at any time, provided that the Owner(s) or occupant(s) of each affected Lot shall be notified of emergency entry as early as is reasonably possible. The interior of any Dwelling Unit shall not be subject to the easements provided for in this Section.

11.3 Utilities Easements. The Declarant hereby reserves a blanket easement upon, across, over and under Common Areas for utilities and the installation, replacement, repair and maintenance of utilities, including water, sewer, gas, telephone, electricity, cable, and television antenna or cable or satellite television systems, if any, and the access to and installation, maintenance and replacement of real and personal property owned or maintained by the Association. By virtue of this blanket easement it shall be expressly permissible to erect and maintain the necessary facilities, equipment and appurtenances on Common Area and to affix, repair, maintain and replace water and sewer pipes, gas, electric, telephone, computer and television wires, cables, circuits, conduits and meters, regardless of whether the aforesaid constitute portions of main distribution systems or individual services. In the event any utility or quasi-utility company furnishing a service covered by the general easement created herein requests a specific easement by separate recordable document, Declarant reserves and is hereby given the right and authority to grant such easement upon, across, over and/or under any part or all of the Common Areas without conflicting with the terms hereof; provided, however, that such right and authority in the Declarant shall cease upon the expiration of the Period of Administrative Control, at which time said reserved right shall vest in the Association. The easement provided for in this Section shall in no way affect, avoid, extinguish or modify any other recorded easement(s) on any Common Areas.

11.4 Easement for Encroachments. To the extent that any Improvement on a Lot, or on any Common Area, encroaches on any other Lot or Common Area, including overhangs, eaves, gutters, pipes and window wells, a valid easement for the encroachment exists. Such easement does not relieve an Owner of liability in case of willful misconduct nor relieve the Declarant or any other person of liability for failure

to adhere to the Plat.

11.5 Drainage Easement. Declarant hereby reserves, to itself and to the Association, easements for drainage and drainage facilities across the five (5) rear, five (5) front, and five (5) side feet of each Lot; provided, however, that if a residence is located upon any of the areas described in this sentence, then such easement shall be reduced in width to the width of the distance from the nearest lot line of such Lot to the exterior wall of the residence on such Lot that is nearest to such lot line. Except for residences as provided in the preceding sentence, no Improvements shall be placed or permitted to remain on any Lot nor shall any change in grading be permitted to exist which may change the direction of flow or obstruct or retard the flow of water or other moisture through channels or swales within such rear, front or side yard drainage easements. Declarant reserves to itself and to the Association the right to enter upon each such rear, front and side yard drainage easements to construct, repair, replace or change drainage pipes, structures or drainage ways, or to perform such grading, drainage or corrective work as Declarant or the Association may deem necessary or desirable; provided, however, that such right and authority in the Declarant shall cease upon the expiration of the Period of Administrative Control, at which time said reserved right shall vest in the Association.

11.6 Easements Deemed Created. All conveyances of any Lot hereafter made, whether by the Declarant or otherwise, shall be construed to grant and reserve the easements contained in this Article 11 even though no specific reference to such easements or to this Article 11 appears in the instrument of such conveyance.

ARTICLE 12 SPECIAL DECLARANT RIGHTS

12.1 Special Declarant Rights. “**Special Declarant Rights**” means the rights described in this Article and are hereby reserved for the benefit of the Declarant.

12.2 Improvements. Declarant hereby reserves the right, without obligation, to construct:

- (a) Any improvements shown on the Plat or included in the Community;
- (b) Any Lots and corresponding Dwelling Units upon all or any portion of the Additional Land, and the addition of the same to the Community; and
- (c) Any other buildings, structures, or improvements that Declarant desires to construct in the Community, or any other real estate owned by Declarant, regardless of whether the same ever become part of the Community.

12.3 Expandable Community. The Declarant herewith expressly reserves the right and option to expand the Community by the addition of Additional Property, or portions thereof, and Lots and Dwelling Units to be constructed thereon, in accordance with the provision of this Section.

- (a) The Community may be expanded by the addition of all or a portion of the real property designated by Declarant, such real property or portions thereof where applicable being referred to as “**Additional Property**”.
- (b) Expansion or contraction of the Community by the Declarant is without limitation, except as set forth in this Section, and shall be effective without prior approval of the Association or any Owner.
- (c) Declarant’s right to expand or contract the Community shall not expire until the latter of: (i) the expiration of the Period of Administrative Control, (ii) Declarant no longer owns a Lot in

the Community, or (iii) Declarant elects in writing to no longer have the right to add or withdraw land from the Community.

(d) The Additional Property may be added or withdrawn in total or in part, and in any order as Declarant may determine.

(e) To submit or withdraw Additional Property to or from the Community, the Declarant shall record a Supplemental Declaration in the office of the County Recorder setting forth that an expansion or contraction of the Community has occurred. Such Supplemental Declaration shall include: (i) a description of the Additional Property added or withdrawn from the Community; and (ii) shall reference this Declaration and state that the provisions of this Declaration apply to the Additional Property, or that the Additional Property is no longer subject to the provisions of this Declaration.

12.4 Other Special Declarant Rights. The Special Declarant Rights include, among others, and regardless of anything in the Declaration to the contrary, the following rights, which shall remain in effect for the maximum period allowed by law:

(a) The right to maintain sales offices, model Dwelling Units, and signs advertising the Community or any Dwelling Unit at any location in the Community;

(b) The right to use easements through the Common Areas as set forth in this Declaration;

(c) The right to dedicate any roads and streets within the Community for and to public use, to grant road easements with respect thereto, and to allow such street or road to be used by owners of adjacent land;

(d) The right to convert any part or portion of the Community to a different regime of residential ownership;

(e) The right to create or designate additional Common Area or Limited Common Area within the Community;

(f) The exclusive right to act as the Board of Directors, or appoint or remove Board Members in Declarant's sole discretion, during the Period of Administrative Control;

(g) The right to withdraw land from the Community for up to fifteen (15) years from the date this Declaration is recorded in the office of the County Recorder;

(h) The right to set all Assessments for the Association including annual, special, and individual Assessments;

(i) The right to set all fines and fees for the Association including but not limited to collection fees, reinvestment fee, architectural review fees, and fines for violations of Association Rules;

(j) The exclusive right to amend the Declaration, Articles, Bylaws, Plat, and Rules of the Association without approval from any Members as more particularly set forth in this Declaration;

(k) The right to exert any right allowed to the Board or the Association pursuant to the Act and this Declaration; and

(l) The right to make and adopt Association Rules without being subject to the requirements of §57-8a-217 of the Act.

Without in any way limiting the foregoing, and unless expressly and specifically bound by a provision of the Governing Documents, Declarant and AG (so long as AG owns any portion of the Property) shall be exempt from the provisions of the Governing Documents. Additionally, as permitted by §57-8a-211(10) of the Act, §§ 57-8a-211(2) through (9) of the Act shall not apply or have any effect during the Administrative Control Period and neither the Declarant nor AG shall have any duty whatsoever to obtain a Reserve Analysis, or to fund any Reserve Fund during the Period of Administrative Control.

12.5 Exercising Special Declarant Rights. Declarant may exercise the Special Declarant Rights at any time prior to the later to occur of the date on which the Period of Administrative Control expires or the date when the Declarant relinquishes such rights in writing. Declarant may exercise its Special Declarant Rights in any order, and no assurance is given as to the order in which Declarant will exercise them. If Declarant exercises any Special Declarant Right with respect to any portion of the Community, Declarant may, but is not obligated to, exercise that Special Declarant Right with respect to any other portion of the Community. Notwithstanding anything to the contrary contained in this Declaration, Declarant may exercise any Special Declarant Right described in this Article and any other right reserved to the Declarant in this Declaration, without the consent of the Association or any of the Owners.

12.6 Interference with Special Declarant Rights. Neither the Association nor any Owner may take any action or adopt any Rules that interferes with or diminishes any Special Declarant right contained in this Declaration without Declarant's prior written consent. Any action taken in violation of this Section shall be null and void and have no force or effect.

12.7 Limitation on Improvements by Association. Until such time as the earlier of the following events occur: (a) termination of the Period of Administrative Control, or (b) such time as Declarant chooses, neither the Association nor the Board shall, without the written consent of Declarant and AG (so long as AG owns any portion of the Property), make any improvement to or alteration in any of the Common Areas created or constructed by Declarant, other than such repairs, replacements, or similar matters as may be necessary to properly maintain the Common Areas as originally constructed or created by Declarant.

12.8 Transfer of Special Declarant Rights. Declarant may transfer, convey, or assign its rights created or reserved under this Declaration to any Person in whole or in part. Declarant's successor shall enjoy any and all Declarant rights set forth in the Declaration regardless of whether such rights are stated to be transferable. All references in the Governing Documents to Declarant shall equally apply to its successor. A contract transferring a Declarant's rights may, but shall not be required to, be recorded in the office of the County Recorder.

12.9 Changes by Declarant. Nothing contained in this Declaration shall be deemed to affect or limit in any way whatsoever the right of Declarant, its successors or assigns, to sell or to change the location, design, method of construction, grade, elevation, or any other part or feature of a Lot and Dwelling Unit prior to the contracting for the conveyance of the Lot to a purchaser.

12.10 Voting. During the Period of Administrative Control, and except as otherwise required by any applicable law, any matter voted upon by the Owners shall not become effective unless the matter is approved in writing by Declarant.

12.11 Easements Reserved to Declarant. Declarant hereby reserves to itself and its successors and assigns the following:

- (a) An easement and right of way over those strips or parcels of land designated or to be designated on the Plat as "Public Utility Easement," or otherwise designated as an easement area over

any road or Common Area at the Community, and over those strips of land running along the front, rear, side and other boundary lines of each Lot shown on the Plat;

(b) An easement for the installation, construction, maintenance, reconstruction and repair of public and private utilities to serve the Community 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;

(c) An 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 Community and the provision of utility services, and related services and facilities; and

(d) An easement for the right to inspect, monitor, test, redesign, and correct any structure, Improvement, or condition which may exist on any portion of the Community, including Lots, and a perpetual nonexclusive easement of access throughout the Community to the extent reasonably necessary to exercise such right.

Further, Declarant 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 Plat. No road, street, avenue, alley, right of way or easement shall be laid out or constructed through or across any parcel in the Community except as set forth in this Declaration, or as laid down and shown on the Plat, without the prior written approval of the Declarant.

12.12 No Modification of Declarant Rights. Any Declarant Rights in this Declaration or other Governing Documents, and specifically in this Article, shall not be substantively or procedurally altered, amended, or removed without the written consent of the Declarant until six (6) years have passed after the Period of Administrative Control has ended, at which time the Declarant’s approval shall no longer be required. Any document or amendment attempted without obtaining proper consent shall be void ab initio to the extent it attempts to alter the rights of the Declarant or any provision of this Article without the consent of the Declarant.

12.13 Equal Treatment. Until the expiration of the Period of Administrative Control, neither the Association nor any other entity shall, without the prior written consent of Declarant, adopt or purport to adopt any policy, rule, or procedure that:

(a) limits the access of Declarant, its successors, assigns, and/or affiliates or their personnel and/or guests, including visitors, to any Common Areas of the Association or to any property owned by any of them;

(b) limits or prevents Declarant, its successors, assigns, and/or affiliates or their personnel from advertising, marketing, or using the Association or its Common Areas or any property owned by any of them in promotional materials;

(c) limits or prevents purchasers of Lots, their successors, assigns, and/or affiliates in the Community from becoming members of the Association or enjoying full use of its Common Areas, subject to the membership provisions of this Declaration and the Bylaws;

(d) discriminates against or singles out any group of Members or prospective Members or Declarant;

(e) impacts the ability of Declarant, Builders, their successors, assigns, and/or affiliates, to carry out to completion its development plans and related construction activities for the Community. Policies, rules, or procedures affecting the provisions of existing easements established by Declarant and limiting the establishment by Declarant of easements necessary to complete the Community shall be expressly included in this provision. Easements that may be established by Declarant shall include but shall not be limited to easements for development, construction, and landscaping activities and utilities; or

(f) impacts the ability of Declarant or Builders, their successors, assigns, and/or affiliates to develop and conduct customer service programs and activities in a customary and reasonable manner.

Neither the Association nor any other entity shall exercise its authority over any Common Areas (including, but not limited to, any means of access to the Community) to interfere with the rights of Declarant or Builders set forth in this Declaration or to impede access to any portion of the Community or over the streets and any Common Areas within the Community.

12.14 Right To Use Common Area for Special Events. During the Period of Administrative Control, Declarant shall have the right to use all Common Area, including recreational facilities, to sponsor special events for charitable, philanthropic, and social purposes as determined by Declarant in its sole discretion. Any such event shall be subject to the following conditions:

(a) the availability of the facilities for the period of time requested of the Association by the Declarant;

(b) Declarant shall pay all costs and expenses incurred and shall indemnify the Association against any loss or damage resulting from the special event (as per the insurance requirements for such events set forth herein) other than customary use charges that shall be waived;

(c) Declarant shall return the facilities and personal property owned by the Association and used in conjunction with the special event to the Association in the same condition as existed prior to the applicable special event; and

(d) Declarant shall have the right to assign its rights contained in this Section 12.14 to charitable organizations or foundations selected by Declarant. Declarant's right to use Common Area for special events shall be enforceable by injunction, by any other remedy in law or equity, and by the terms of this Declaration.

12.15 Right to Notice of Design or Construction Claims. No Person shall retain an expert for the purpose of inspecting the design or construction of any structures or improvements within the Community in connection with or in anticipation of any potential or pending claim, demand, or litigation against Declarant involving such design or construction unless Declarant has been first notified in writing at least ten (10) days prior to such inspection and given an opportunity to meet with the Owner and the Association and conduct an independent inspection.

ARTICLE 13 DURATION, AMENDMENTS, MERGER AND TERMINATION

13.1 Duration. This Declaration shall run with and bind the land perpetually, unless terminated

as set forth below.

13.2 Declarant Amendment. Declarant declares and reserves the right to amend this Declaration (including any Supplemental Declarations) and any Plat, without the consent of Owners or Mortgagees so at any time during the Period of Administrative Control or for so long as Declarant (or any Affiliate) owns one or more Lots, whichever is longer. Additionally, so long as Declarant may exercise Special Declarant Rights, Declarant may amend this Declaration as follows even if the foregoing amendment rights have lapsed or been terminated:

- (a) To make nonmaterial changes, such as the correction of a technical, clerical, grammatical or typographical error or clarification of a statement;
- (b) To comply with any requirements of the Act or amendments thereto, or any of the Agencies or to induce any of the Agencies to make, purchase, sell, insure or guarantee Mortgages;
- (c) To exercise Special Declarant Rights;
- (d) With respect to any other matter that the Act grants a “declarant” the right to unilaterally amend this Declaration, if any; and

13.3 Owner Annexation and Amendment. After all of the Lots have been sold to unaffiliated third parties or the Period of Administrative Control has expired, the Owners may amend this Declaration and the Plat as follows.

- (a) Annexation. In addition to the Special Declarant Rights, additional property may be annexed to this Declaration with the affirmative vote or agreement, at the time such annexation is to be effective, of Owners to which at least sixty percent (60%) of the votes in the Association are allocated and with the consent, at the time such annexation is to be effective, of the owner of the property to be annexed.
- (b) Amendment. Except as otherwise provided in this Declaration, this Declaration may be amended by the affirmative vote or agreement of Owners to which at least sixty percent (60%) of the votes in the Association are allocated; provided, however, to the maximum extent permitted by law, no amendment of this Declaration shall attempt to reduce, eliminate or otherwise adversely affect the Special Declarant Rights without the prior, written approval of Declarant.

13.4 Amendments Generally.

- (a) Except as to amendments which may be made by Declarant, amendments to this Declaration may be prepared, executed, recorded, and certified by any officer of the Association designated for that purpose or, in the absence of designation, by the president of the Association. Such certification shall, in the case of an amendment requiring the approval of Owners, certify that the Association has received the requisite approvals. Amendments to this Declaration which may be made by the Declarant pursuant to this Declaration or as permitted by the Act, may be signed by the Declarant and shall require no other signatory.
- (b) No action to challenge the validity of an amendment adopted by the Association or the Declarant pursuant to this Article may be brought more than one (1) year after the amendment is recorded or such other period as required by the Act.
- (c) Every amendment to the Declaration must be recorded in every county in which any portion of the Community is located, and is effective only upon recordation.

(d) No amendment of this Declaration may remove, revoke, limit, condition, or modify any right or privilege of the Declarant established by a provision hereunder, which provisions may not be unilaterally amended by the Owners to affect or alter the right, privilege, contractual agreement without the written consent of the Declarant or the assignee of such right or privilege. Each Amendment to this Declaration enacted by the vote or agreement of Owners of Lots shall be applicable only to disputes, issues, controversies, circumstances, events, claims or causes of action that arose out of acts, omissions, events or other circumstances that occurred after the date of recording of such amendment in the County, and no such amendment shall be applied retroactively (i) to any disputes, issues, controversies, circumstances, events, claims or causes of action that arose out of acts, omissions, events or other circumstances that occurred before the date of recording of such amendment in the County, or (ii) to impair the rights or obligations of any Person, including Declarant, bound by the provisions of this Declaration. Notwithstanding anything to the contrary herein, this Section (d) may not be amended, nullified or modified without the written consent of the Declarant.

(e) Any repeal or modification of any provision of the Governing Documents permitting or requiring indemnification of director's and officer's shall be prospective only, and shall not adversely affect any limitation on the personal liability of a current or former director or officer of the Association for acts or omissions prior to such repeal or modification; any such repeal or modification shall not be effective as against a current or former director or officer of the Association for acts or omissions prior to such repeal or modification without such director's or officer's written consent. Any indemnification or right of indemnification of directors and officers of the Association as provided by any of the Governing Documents shall continue as to a person who has ceased to be a director or officer of the Association and shall inure to the benefit of the director's or officer's estate, heirs, personal representatives, executors and administrators.

13.5 Mergers. The Community may be merged or consolidated with another community of the same form of ownership by complying with the Act.

13.6 Termination of the Community and Dissolution of Association. Termination of the Community and dissolution of the Association may be accomplished only in accordance with the Act upon affirmative vote or agreement of Owners to which at least ninety percent (90%) of the votes are allocated. Upon dissolution of the Association, all of its agency or authority to be used for purposes similar to those provided for in the Articles or this Declaration. In the event such dedication or transfer is not made or is not accepted, the Association's assets shall be transferred to a nonprofit corporation, trust, or other entity to be used for such similar purposes, and each Owner shall continue to be obligated to make Assessment payments for the maintenance and upkeep of the Common Areas, common access roadways, curbs, gutters, and sidewalks on a pro rata basis which conforms substantially with the assessments procedure, terms and conditions set forth herein.

13.7 Approval of AG. Notwithstanding anything to the contrary set forth in this Declaration, so long as AG owns any portion of the Property, or any annexable property, any amendment to this Declaration shall require the prior written approval of AG. Any purported amendment without such approval shall be deemed void and of no force and effect unless subsequently approved by a written consent signed by AG and recorded.

ARTICLE 14 MANDATORY DISPUTE RESOLUTION

14.1 Statement of Clarification. Without modifying or restricting the scope of this Article 14 and as a statement of clarification only, nothing contained in this Article 14 is intended to prevent the parties from attempting to resolve any differences between them through the normal course of business and

communications. It is only when the parties are unable to resolve their differences and they wish to proceed further through the assertion of a Claim (as defined herein), that the mandatory dispute resolution provisions contained in this Article 14 are required.

14.2 Bound Parties. The Declarant; the Association; the Owners; the officers, directors, managers, members, employees, representatives, agents, successors and assigns of any of the foregoing; any other person subject to this Declaration; and any other person not otherwise subject to this Declaration who agrees to submit to this Article (collectively, “**Bound Parties**”), agree that it is in the best interest of all Bound Parties to encourage the amicable resolution of Claims without the emotional and financial costs of litigation or the toll or market taint such litigation can have on the value of the Community and/or the Lots that may be involved or impacted. Accordingly, each Bound Party agrees not to file suit in any court with respect to a Claim described in subsection (b), unless and until it has first submitted such Claim to the alternative dispute resolution procedures set forth in Section 14.3 in a good faith effort to resolve such Claim.

14.3 Claims. As used in this Article, the term “**Claim**” means any claim, grievance, or dispute arising out of or relating to: (a) the interpretation, application, or enforcement of the Governing Documents; (b) the rights, obligations, and duties of any Bound Party under the Governing Documents; or (c) the design or construction of improvements in the Community, other than matters of aesthetic judgment to be determined by the Association or DRC under the Design Guidelines and other provisions of Article 5 hereof, which shall not be subject to review and shall not be subject to this chapter.

14.4 Exclusion from Definition of Claims. The following shall not be considered “Claims” unless all Parties to the matter otherwise agree to submit the matter to the procedures set forth in Section 14.5:

- (a) any suit by the Association to collect assessments or other amounts due from any Owner;
- (b) any suit by the Association to obtain a temporary restraining order (or emergency equitable relief) and such ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association’s ability to enforce the provisions of Article 5 of this Declaration (relating to the Design Guidelines);
- (c) any suit that does not include the Declarant, any affiliate of the Declarant, or the Association as a party, if such suit asserts a Claim that would constitute a cause of action independent of the Governing Documents;
- (d) any dispute that affects the material rights or obligations of a party who is not a Bound Party and has not agreed to submit to the procedures set forth in Section 14.5;
- (e) any suit as to which any applicable statute of limitations would expire within 180 days of giving the Notice, unless the party or parties against whom the Claim is made agree to toll, or extend, the Claim’s statute of limitations to comply with this;
- (f) any suit or dispute between the Declarant or an affiliate of Declarant and a builder, developer, contractor(s), subcontractor(s), or any other party contracted by the Declarant or an affiliate of the Declarant in connection with the development of the Community; and
- (g) any suit or dispute involving a governmental entity as a party.

14.5 Dispute Resolution Procedures.

(a) The Bound Party asserting a Claim (“**Claimant**”) against another Bound Party (“**Respondent**”) shall give written notice (“**Notice**”) by mail or personal delivery to each Respondent and to the Board, stating plainly and concisely:

- (i) the nature of the Claim, including the persons involved and the Respondent’s role in the Claim;
- (ii) the legal basis of the Claim (i.e., the specific authority out of which the Claim arises);
- (iii) the Claimant’s proposed resolution or remedy;
- (iv) that the person alleged to be responsible for the acts giving rise to the Claim shall have six (6) months to cure or resolve the Claim; and
- (v) the Claimant’s desire to meet with the Respondent to discuss, in good faith, ways to resolve the Claim.

(b) For any Claim arising from a dispute over the construction of improvements within the Community, the Claimant shall provide Respondent six (6) months to rectify, alter, or fix the claimed defect(s) in the improvements. The expiration of this six (6) month cure period shall be a prerequisite to Claimant’s ability to initiate litigation as permitted under Section 14.7 below. For all Claims involving alleged defects in construction, the negotiation, mediation, and settlement requirements shall remain in effect during the cure period, however, the mediation deadline set forth in subsection (d) below shall be extended to expire on the same date the cure period expires.

(c) The Claimant and Respondent shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation. If requested in writing, accompanied by a copy of the Notice, the Board may appoint a representative to assist the parties in negotiating a resolution of the Claim.

(d) If the parties have not resolved the Claim through negotiation within thirty (30) days of the date of the Notice (or within such other agreed upon period), the Claimant shall have thirty (30) additional days to submit the Claim to mediation with an individual or entity designated by the Association (if the Association is not a party to the Claim) or to an independent mediator providing dispute resolution services predominately in Utah. Each Bound Party shall present the mediator with a written summary of the Claim or will otherwise comply with the mediator’s proscribed procedures and requirements for mediating claims.

(e) If the Claimant does not submit the Claim to mediation within such time, or does not appear for and participate in good faith in the mediation when scheduled, the Claimant shall be deemed to have waived the Claim, and the Respondent shall be relieved of any and all liability to the Claimant (but not third parties) on account of such Claim.

(f) If the parties do not settle the Claim within thirty (30) days after submission of the matter to mediation, or within such time as determined reasonable by the mediator, the mediator shall issue a notice of termination of the mediation proceedings indicating that the parties are at an impasse and the date that mediation was terminated. The Claimant shall thereafter be entitled to file suit or to initiate administrative proceedings on the Claim, as appropriate.

(g) Each Bound Party shall bear its own costs of the mediation, including attorney fees, and each Party shall pay an equal share of the mediator’s fees.

14.6 Settlement. Any Claim settlement through negotiation or mediation shall be documented in writing and signed by the Parties. If any Party thereafter fails to abide by the terms of such agreement, then any other party may file suit or initiate such proceedings as are necessary to enforce such agreement without the need to comply again with the procedures set forth in this Article. In such event, the party taking action to enforce the agreement or award shall, upon prevailing, be entitled to recover from the non-complying party (or if more than one non-complying party, from all such parties in equal proportions) all costs incurred in enforcing such agreement or award, including, without limitation, attorney fees and court costs.

14.7 Initiation of Litigation by Association. The requirements of this Section are intended to be in addition to those requirements set forth in Section 57-8a-229 of the Act. After expiration of the Period of Administrative Control the Association may not bring a legal action against a Declarant, a Board of Directors, an employee, an independent contractor, an agent of the Declarant, or the previous Board of Directors related to the Period of Administrative Control unless:

- (a) the Right to Cure period set forth in Section 14.5(b) above has expired;
- (b) the legal action is approved in advance at a meeting by Owners holding at least fifty-one percent (51%) of the total Allocated Interests of the Owners in the Association;
- (c) the Association provides each Owner with the items described in Section 14.8(a) and (b) below;
- (d) the Association establishes a trust account, described in Section 14.8(c) below; and
- (e) the Association first goes through the procedures described in Section 14.5 above, giving notice and an opportunity to resolve the dispute that is the basis of the Claim and proposed legal action.

The procedures and approval required in the preceding subsections (a) through (e) shall not be required for actions or proceedings:

- (i) initiated by Declarant during the Period of Administrative Control on behalf of the Association;
- (ii) initiated to enforce the provisions of this Declaration, including collection of Assessments and foreclosure of liens;
- (iii) initiated to challenge ad valorem taxation or condemnation proceedings (including bringing an action for inverse condemnation);
- (iv) initiated against any contractor, vendor, or supplier of goods or services arising out of a contract for services or supplies; or to defend claims filed against the Association or to assert counterclaims in proceedings instituted against it.
- (f) This Section shall not be amended without the written consent of the Declarant for a period of 10 years following the expiration of the Administrative Control Period. Any such amendment shall also be approved by a vote of sixty percent (60%) of the total votes of the Association.

14.8 Informed Vote. Before the Owners, as Members of the Association may vote to approve any claim of legal action, the Association shall first provide each Owner with:

- (a) A written notice stating:

- (i) that the Association is contemplating legal action;
- (ii) the percentage vote required for approval of the litigation;
- (iii) the date, time, and location of any Member meeting that has been scheduled to discuss the litigation or to vote on the approval of the litigation;
- (iv) a description of the claims that the Association desires to pursue in sufficient detail to permit each Member to reach an informed decision on the litigation matter; and

(b) A written report from an attorney licensed to practice in Utah, which provides an assessment of:

- (i) The likelihood that the legal action will succeed;
- (ii) The likely amount in controversy in the legal action;
- (iii) The likely cost of resolving the legal action to the Association's satisfaction; and
- (iv) The likely effect the stigma of a legal action will have on value or on an Owner's ability to market for sale, or a prospective lot buyer's ability to obtain financing for a lot due to a pending legal action.

(c) In providing the foregoing report, the attorney shall obtain and rely on reports and assessments from experts in their field such as construction, real property, sales, or any other relevant factor in the contemplated litigation.

(d) Before the Association commences any legal action as authorized above, the Association shall:

- (i) allocate an amount equal to 10% of the cost estimated to resolve the legal action not including attorney fees; and
- (ii) place the 10% allocated funds in a trust account that the Association may only use to pay the costs to resolve the legal action.

14.9 Small Claim Exception. The requirements and limitations of the foregoing provisions do not apply to an Association that brings a legal action that has an amount in controversy of less than \$25,000.00.

14.10 Strict Compliance Required. Any post-turnover litigation involving the Bound Parties shall strictly comply with each of the provisions in this Article. The Bound Parties hereby covenant, stipulate, and agree that in the event the Bound Parties fail to satisfy the prerequisites set forth herein, the non-compliant Party will indemnify, defend, hold harmless, and exculpate the other Bound Party to the fullest extent permissible by law, and the non-breaching Bound Party shall be entitled to recover any and all attorney fees and costs expended as a result of enforcing this Article, which fees and costs may include, without limitation, pre-litigation attorney fees, costs incurred in connection with investigation of potential claims, including expert and consultant fees, testing fees, contractor fees, and insurance deductibles. If any claims or actions falling within the scope of this Article are filed without satisfying all of the requirements set forth above, such claims or actions shall be dismissed without prejudice and shall not be re-filed unless and until all such requirements have been satisfied.

14.11 Owner Warranties. Declarant may provide certain warranties to the Owners related to a Lot purchased. The first Owner of a Lot to whom any warranty is issued, or with whom a legal warranty arises, and only that Owner, shall have the right to directly enforce and seek performance from the Declarant of any terms of the warranty, and only consistent with the warranty itself. The Association shall have no right to seek the performance of or take assignment of any rights in any warranties against the Declarant, and the Owner shall have no right to assign any rights of any kind to the Association related to pursuing litigation against the Declarant.

14.12 Limitation on Common Area Actions. Unless specifically set forth in this Declaration, no action may be brought by the Association, its Board of Directors, or its Officers on behalf of an Owner, as its respective interest may appear, with respect to any cause of action against the Declarant relating to the Common Areas and facilities.

14.13 Limitation on Amendments. The dispute resolution restrictions contained in this Article shall not be amended, altered, or eliminated from the Declaration without the written consent of the Declarant for a period of ten (10) years after the expiration of the Period of Administrative Control.

14.2 Binding Effect. ALL PARTIES HEREBY AGREE TO RESOLVE ANY CLAIM ACCORDING TO THE PROVISIONS OF THIS ARTICLE AND SUCH PARTIES WAIVE THEIR RESPECTIVE RIGHTS TO PURSUE THE CLAIM IN ANY MANNER OTHER THAN AS PROVIDED IN THIS ARTICLE. BY TAKING TITLE TO ANY PORTION OF THE COMMUNITY, EACH OWNER THEREOF ACKNOWLEDGES AND AGREES THAT THE TERMS OF THIS ARTICLE 14 ARE A SIGNIFICANT INDUCEMENT TO DECLARANT'S WILLINGNESS TO DEVELOP THE COMMUNITY, CONSTRUCT IMPROVEMENTS AND SELL DWELLING UNITS, AND THAT IN THE ABSENCE OF THE PROVISIONS CONTAINED IN THIS ARTICLE 14, DECLARANT WOULD HAVE BEEN UNABLE AND UNWILLING TO DEVELOP THE COMMUNITY, CONSTRUCT IMPROVEMENTS OR SELL DWELLING UNITS FOR THE PRICES PAID BY THE ORIGINAL PURCHASERS. BY ACCEPTING TITLE TO SUCH PORTION OF THE COMMUNITY, EACH OWNER ACKNOWLEDGES AND AGREES THAT THE TERMS OF THIS ARTICLE 14 LIMIT HIS OR HER RIGHTS WITH RESPECT TO THE RIGHTS AND REMEDIES THAT MAY BE AVAILABLE IN THE EVENT OF A POTENTIAL OR ACTUAL CONSTRUCTION DEFECT AFFECTING THE IMPROVEMENTS OR ANY PORTION THEREOF, INCLUDING WITHOUT LIMITATION ANY DWELLING UNIT.

ARTICLE 15 MORTGAGEE PROTECTION

15.1 Title in Mortgagee. Any first Mortgagee who obtains title to a Lot pursuant to the remedies provided in the Mortgagee, including foreclosure or deed in lieu of foreclosure, will be liable for all Assessments due and payable following the date title to the Lot vests in the Mortgagee under the statutes of Colorado governing foreclosures. Except as provided herein (to the extent permissible under the Act) or in the Act, such Mortgagee will not be liable for any unpaid Assessments, dues, or charges attributable to the Lot which accrued prior to the date such title vests in the Mortgagee.

15.2 Notice of Default by Lot Owner. In the event an Owner neglects for a period of sixty (60) days or more to cure any failure on his part to perform his obligations under this Declaration or other Governing Documents, the Association, upon written request from the Mortgagee, shall give written notice of such fact to the Mortgagee of such Owner's Lot.

15.3 Priority. No provision herein is intended, nor shall it be construed, to give any Owner, or any other party, priority over any rights of the first Mortgagee of a Lot pursuant to its Mortgage in the case

of a distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of Common Areas.

15.4 Mortgagee Rights. First Mortgagees shall have the following rights:

(a) First Mortgagees shall have the right, jointly or singly, to pay taxes or other charges or assessments which are in default and which may or have become a lien against the Common Areas and may pay overdue premiums on property insurance policies or secure new property insurance coverage on the lapse of a policy for the Common Areas, and any first Mortgagee making any such payments shall be owed immediate reimbursement therefor from the Association.

(b) First Mortgagees will be entitled to cure any delinquency of the Owner of the Lot encumbered by the first Mortgage in the payment of Assessments. In such event, the first Mortgagee will be entitled to obtain a release from the lien imposed or perfected by reason of such delinquency.

ARTICLE 16 DISCLOSURES AND DISCLAIMERS

16.1 Disclosures by Declarant. Declarant hereby discloses the following:

(a) Land Use Documents. The Community is being developed in accordance with the land use regulations of the Town of Erie and the County. Declarant, for itself, its successors and assigns, reserves the right to obtain modifications and amendments to all land use documents, subject to the approval of Santaquin City and the County, as applicable. Such modifications and amendments could change the uses of adjacent and nearby land from the uses which are set forth in the land use documents or as described herein.

(b) Future Development and Views. Owners acknowledge that existing views, if any, of the immediate and surrounding areas and mountains may be subject to change or elimination as a result of future development of non-residential and residential uses, construction, tree growth and landscaping. Declarant may charge premium prices for similar houses or lots depending on a variety of factors, which may include location, lot size, cul-de-sac frontage, solar orientation or proximity to open space. The market value of these factors may be subjective. Each Owner acknowledges that development within and surrounding the Community may continue for an indefinite period, and that plans for the density, type and location of improvements, developments or land uses, may change over time. Such development may entail changes to or alterations in the access to the Community, views of or from the Community or the Lots, surrounding land uses, open space or facilities, traffic volumes or patterns, privacy or other off-site aspects or amenities. Development or proximity to other uses also may entail noise, odors, unsightliness, dust and other inconveniences or disruptions.

(c) Waiver and Release. By accepting a deed to a Lot, each Owner accepts title to such Lot subject to the foregoing, and waives and releases any claim against the Declarant, the Association, the Board of Directors, the DRC, and their respective officers, directors, members, partners, agents and employees, heirs, personal representatives, successors and assigns, arising out of or associated with any of the foregoing.

16.2 Disclaimer. Declarant, the Association, the Board of Directors, the DRC, and their respective officers, directors, members, partners, agents and employees hereby disclaim any obligation regarding the security of any Persons or property within the Community. By accepting a deed to property within the Community, each Owner acknowledges that Declarant, the Association, the Board of Directors, the DRC, and their respective officers, directors, members, partners, agents and employees are only obligated to do those acts specifically identified herein, or in the Governing Documents, and are not

obligated to do any other acts with respect to the safety or protection of Persons or property within the Community.

ARTICLE 17 GENERAL PROVISIONS

17.1 Enforcement. All of the provisions of this Section 17.1 are subject to the provisions of Article 14 above, and shall apply to those matters not constituting a Claim under the provisions of Article 14. The Association on behalf of itself and any aggrieved Owner, and any Owner, shall have the right, but not the obligation to bring legal or equitable action for any matter not constituting a Claim under Article 14 against any and all Owners for failure to comply with the provisions of the Governing Documents, or for failure to comply with decisions of the Board made pursuant to the authority granted to the Association in the Governing Documents. Failure by the Association or any Owner to enforce compliance with any provision of the Governing Documents shall not be deemed a waiver of the right to enforce any provision thereafter. All remedies set forth in the Governing Documents shall be cumulative of any remedies available at law or in equity, except as limited therein or in this Declaration. The decision to pursue enforcement action in any particular case shall be left to the Board’s discretion, except that the Board shall not be arbitrary or capricious in taking enforcement action. Without limiting the generality of the foregoing sentence, the Board may determine that, under the circumstances of a particular case:

- (a) the Association’s position is not strong enough to justify taking any or further action;
- (b) the covenant, restriction, or Rule being enforced is, or is likely to be construed as, inconsistent with applicable law;
- (c) although a technical violation may exist or may have occurred, it is not of such a material nature as to be objectionable to a reasonable person or to justify expending the Association’s resources; or
- (d) that it is not in the Association’s best interests, based upon hardship, expense, or other reasonable criteria, to pursue enforcement action.

Such a decision shall not be construed as a waiver of the Association’s right to enforce such provision at a later time or preclude the Association from enforcing any other covenant, restriction, or rule.

17.2 Limitation on Liability. The Association, the Board of Directors, the DRC, the Declarant, and their respective officers, directors, members, partners, agents and employees, shall not be liable to any Person for any action or for any failure to act unless the action or failure to act was not in good faith and was done or withheld with malice.

17.3 Electronic Delivery; Registration of Owner’s Address. Unless otherwise required by applicable law or this Declaration, any requirement to deliver any notice, statement, demand, document or record to an Owner shall be deemed satisfied by sending the same to the applicable Owner by electronic delivery if the Owner has provided an electronic mail or delivery address to the Association. Otherwise, an Owner shall register his mailing address with the Association, and any notice, statement, demand, document or record intended to be delivered to an Owner must be sent by U.S. mail, postage prepaid, addressed in the name of such Person at such registered mailing address. However, if any Owner fails to notify the Association of a registered address, then any notice, statement, demand, document or record may be delivered or mailed to such Owner at the address of such Owner’s Lot.

17.4 No Representations, Guaranties or Warranties. No representations, guaranties or warranties

of any kind, express or implied, shall be deemed to have been given or made by Declarant, the Association, the Board of Directors, the DRC, or by any of their respective officers, directors, members, partners, agents or employees, in connection with any portion of the Community, or any Improvement, its or their physical condition, structural integrity, freedom from defects, zoning, compliance with applicable laws, fitness for intended use, value or view, or in connection with the subdivision, sale, operation, maintenance, cost of maintenance, taxes or regulation thereof, unless and except as shall be specifically set forth in writing.

17.5 Headings. The headings contained in this Declaration are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of the terms and provisions of this Declaration or the intent of any provision thereof.

17.6 Gender. The use of the masculine gender refers to the feminine gender, and vice versa, and the use of the singular includes the plural, and vice versa, whenever the context of this Declaration so requires.

17.7 Waiver. No provision contained in this Declaration is abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

17.8 Conflict. The Governing Documents are intended to comply with the requirements of the Act and the Nonprofit Act. If there is any conflict between the Governing Documents and the provisions of the statutes, the provisions of the statutes shall control. In the event of any conflict between this Declaration and any other Governing Document, this Declaration shall control. In the event of any conflict between this Declaration and any Superseding Agreement, the provisions of the Superseding Agreement shall control. In the event of any conflict between the Articles of Incorporation and the Bylaws or Rules, the Articles of Incorporation shall control. In the event of any conflict between the Bylaws and the Rules, the Bylaws shall control.

17.9 Severability. All provisions of this Declaration are severable. Invalidation of any of the provisions of this Declaration by judgment, court order or otherwise, shall in no way affect or limit any other provisions which shall remain in full force and effect.

17.10 Consent in Lieu of Voting. In any case in which this Declaration requires authorization or approval of a transaction the assent or affirmative vote of a stated percentage of the votes present or represented at a meeting, such requirement may be fully satisfied by obtaining, with or without a meeting, consents in writing to such transaction from Members entitled to cast the required percentage of membership votes. The Association may use any method allowed under Utah law and the Nonprofit Act.

17.11 Limitation on Rights as Declarant. Notwithstanding any other provision contained in this Declaration, as long as Lennar is the Declarant, Lennar shall not, without the prior written consent of AG, have the right to exercise any of the "Declarant" rights under this Declaration in any manner which will have a material or adverse impact on the Lots or other portion of the Property or any annexable property owned by AG.

17.12 Termination of Option Agreement. Notwithstanding any other provision of this Declaration, Lennar and AG acknowledge that, upon recordation of a termination of the Option Agreement, the Option Agreement, for purposes of this Declaration, shall be deemed terminated and shall no longer be in force or have any effect hereunder.

17.13 Enforcement by AG. So long as AG owns any Lot or other portion of the Property or any annexable property, AG shall have the right to enforce any of the provisions of this Declaration, the Articles and the Bylaws that are intended to be for the benefit of AG. None of the provisions of this Declaration


shall obligate or be construed to obligate Declarant, or AG, or their respective agents, representatives or employees, to undertake any affirmative action to enforce the provisions of this Declaration, or any provision hereof or thereof, or to undertake any remedial or corrective action with respect to any actual or asserted violation hereof or thereof.

17.14 Fair Housing Accommodations. Notwithstanding anything to the contrary in this Declaration, the Association, upon receipt of a written opinion from its counsel that such action is required, may make or permit reasonable accommodations or modifications to the Community that are otherwise prohibited by the Governing Documents, as required under State or Federal Fair Housing Acts, to accommodate a Person with a disability (as defined by State or Federal law at the time the accommodation is requested). Reasonable accommodations or modifications may include modifications to a Lot, the Common Area facilities and buildings, or deviations from provision of the Governing Documents. Any such modification and accommodation made under this Section shall not act as a waiver of the provisions of the Governing Documents with regard to any other Person or Owner.

[Signature page follows]

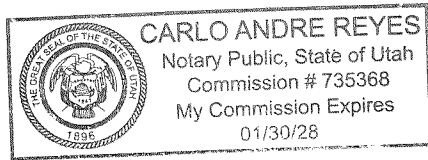
The Declarant has caused this Declaration to be executed this 18th day of December, 2024.

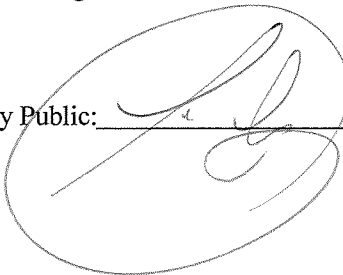
LENNAR HOMES OF UTAH, LLC,
a Delaware limited liability company

By: 
Name: Bryson Fish
Its: Div. President

STATE OF UTAH)
COUNTY OF Salt Lake) ss.

On the 18th day of December, 2024, personally appeared before me Bryson Fish who by me being duly sworn, did say that she/he is an authorized representative of Lennar Homes of Utah, LLC, and that the foregoing instrument is signed on behalf of said company and executed with all necessary authority.



Notary Public: 

AG:

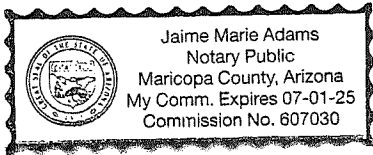
TPG AG EHC III (LEN) MULTI STATE 4, LLC,
a Delaware limited liability company

By: Steven S Benson

Name: Steven S. Benson
Its: Manager of Essential Housing Asset Management,
LLC, an Arizona limited liability company, the
Authorized Agent of TPG AG EHC III (LEN) Multi
State 4, LLC

STATE OF ARIZONA)
) SS.
COUNTY OF MARICOPA)

On the 12 day of December, 2024, personally appeared before me Steven S. Benson who by me being duly sworn, did say that she/he is an authorized representative of TPG AG EHC III (LEN) Multi State 4, LLC, and that the foregoing instrument is signed on behalf of said company and executed with all necessary authority.



Notary Public: Jaime Marie Adams

EXHIBIT A

LEGAL DESCRIPTION

The following land situated in Utah County, State of Utah, and described as follows:

All of Lots 1 through 165, inclusive, contained within SILVER OAKS PHASE 1 PLAT "A", according to the official plat thereof recorded April 29, 2024 as Entry No. 27164:2024 in the Utah County Recorder's Office;

Together with, for the avoidance of any doubt, all Common Areas previously conveyed to the Association.

EXHIBIT B

AMENDED AND RESTATED BYLAWS OF
SILVER OAKS HOMEOWNERS ASSOCIATION

These AMENDED AND RESTATED BYLAWS OF SILVER OAKS HOMEOWNERS ASSOCIATION are effective upon recording in the Utah County Recorder's Office pursuant to the Utah Community Association Act and the Utah Revised Nonprofit Corporation Act (referred collectively herein as the "Acts").

RECITALS

A. The Association is organized for all lawful purposes for which a nonprofit corporation may be organized under the Utah Revised Nonprofit Corporation Act, as amended, subject to the terms and conditions contained in the Declaration and Articles of Incorporation.

B. These Bylaws are adopted to complement the Declaration, to further define the rights of the Association and the Owners, to provide for the ability to effectively govern and operate the Association and the Project known as Silver Oaks and, to further the Association's efforts to safely, efficiently, and economically provide a quality living environment. For the avoidance of any doubt, these Bylaws supersede and replace in all respects any existing bylaws for the Association otherwise in effect as of the date these Bylaws are executed.

ARTICLE I
DEFINITIONS

1.1 Except as otherwise provided herein or as may be required by the context, all capitalized terms used herein shall have the same meaning and effect as used and defined in the Amended and Restated Declaration of Covenants, Conditions, and Restrictions for Silver Oaks Homeowners Association (the "Declaration").

ARTICLE II
APPLICATION

2.1 All present and future Owners, Mortgagees, Occupants, and their invitees and guests, and any other persons who may use the facilities of the Community in any manner are subject to these Bylaws, the Declaration, and Rules. The mere acquisition or rental of any of the Units or the mere act of occupancy or use of any said Units or the Common Areas will signify that these Bylaws, the Declaration, and the Rules are accepted, ratified, and will be complied with by said persons.

ARTICLE III
OWNERS

3.1 Annual Meetings. The Annual Meeting of the Owners shall be held each year on a day and time established by the Board of Directors. The purposes of the Annual Meeting may include the election of Board Members, the distribution of financial reports and budget, a review of any revisions to the Rules, distributing the most recent reserve study, and to transact such other business as may come before the meeting. If the election of Board Members cannot be held during the Annual Meeting, or at any adjournment thereof, the Board shall cause the election to be held either at a Special Meeting of the Owners to be convened as soon thereafter as may be convenient or at the next Annual Meeting. The Board may from time

to time by resolution change the month, date, and time for the Annual Meeting. Annual Meetings shall not be required during the Period of Administrative Control, but the Declarant may hold Annual Meetings at its discretion.

3.2 Special Meetings. Special Meetings of the Owners may be called by a majority of the Board, the Declarant, the President, or upon the written request of Owners holding not less than forty percent (40%) of the voting interests of the Association. Any written request for a Special Meeting presented by the Owners shall be delivered to the President and shall include the original signature of each Owner affirmatively supporting such request along with a complete statement of the purpose of the meeting on each page containing signatures. The President shall then call, provide notice of, and conduct a Special Meeting within 45 days of receipt of the Owner request. During the Period of Administrative Control, Special Meetings may only be called by the Declarant.

3.3 Place of Meetings. The Board may designate any place in the County that is reasonably convenient for the Owners as the place of meeting for any Annual or Special Meeting. In addition, the Association may hold and conduct Owner meetings through any type of electronic means that allows Owners to communicate orally in real time including telephone and video conferencing.

3.4 Notice of Meetings. The Board shall cause written or printed notice of the date, time, and place (and in the case of a Special Meeting, the purpose or purposes) for all Owner meetings. Such written or printed notice shall be delivered to each Owner of record entitled to vote at such meeting not more than sixty (60) nor less than ten (10) days prior to the meeting. Such notice may be sent via email, text, hand-delivery, or regular mail. If sent by email or text, such notice shall be deemed delivered and effective on the date transmitted to the Owner's email address or telephone number registered with the Association. If mailed, such notice shall be deemed to be delivered and effective on the date deposited in the U.S. mail if addressed to the Owner's address registered with the Association. Each Owner shall register with the Association such Owner's current email address, phone number, and mailing address for purposes of notice hereunder. Such registered email, phone number, and mailing address may be changed from time to time by notice in writing to the Association. If no address is registered with the Association, an Owner's Living Unit shall be deemed to be the Owner's registered address and notice to the Unit address may be made by first-class mail or by posting the meeting notice on the front door. An Owner may opt out of receiving notices from the Association via email or text by giving written notice to the Board stating that the Owner will not accept notices by way of email or text.

3.5 Qualified Voters. An Owner shall be deemed to be in "good standing" and "entitled to vote" at any meeting if he or she has fully paid his or her share of any Assessment (together with any interest and/or late fees) at least 48 hours prior to the commencement of the meeting and is not in violation of any provision of the Governing Documents.

3.6 Record Date for Notice Purposes. The Board may designate a record date, which shall not be more than sixty (60) nor less than ten (10) days prior to the meeting, for the purpose of determining Owners entitled to notice of any meeting of the Owners. If no record date is designated, the last date on which a notice of the meeting is mailed or delivered shall be deemed to be the record date for determining Owners entitled to notice. The persons or entities appearing in the records of the Association on such record date as the Owner(s) of record of Lots in the Community shall be deemed to be the Owners of record entitled to notice of the Owner meeting.

3.7 Quorum. Any number of Owners present in person or by proxy at any meeting duly called and held in compliance with the requirements of these Bylaws, shall constitute a quorum for the transaction of business and adoption of decisions.

3.8 Proxies. Owners shall be entitled to vote in person or by proxy at each meeting provided, however, that the right to vote by proxy shall exist only where the instrument authorizing such proxy to act shall have been signed by the Owner or by the Owner's attorney. A proxy may be written on paper or received via email, facsimile, text, or any other electronic or physical means. A signature as required herein shall mean any indication that the document is from and consented to by the person who is purported to have sent it. If a Lot is jointly owned, the instrument authorizing a proxy to act may be executed by any one (1) Owner of such Lot or the Owner's attorney when duly authorized in writing. A proxy given by an Owner to any person who represents the Owner at meetings of the Association shall be in writing, dated, and signed by such Owner. Such instrument may allow the proxy to vote on any issue arising at any particular meeting or meetings, or may set forth the specific matters or issues upon which the proxy is authorized to act. Proxies shall be filed with the Secretary (or with such other officer or person who may be acting as Secretary of the meeting) before the meeting is called to order. The Secretary shall record all proxies in the meeting minutes.

3.9 Votes. Owners shall be entitled to vote on each matter submitted to an Owner vote in person, by proxy, or by any type of written or electronic ballot. Owners shall have the number of votes appertaining to the Lot of such Owner, as set forth in the Declaration. The affirmative vote of a majority of the votes entitled to be cast by the Owners present or represented by proxy at a meeting at which a quorum was initially present shall be necessary for the adoption of any matter voted on by Owners, unless a greater proportion is required by the Articles of Incorporation, these Bylaws, or the Declaration. When a Lot is jointly owned, any Owner may exercise the vote for such Lot on behalf of all Co-Owners of the Lot. In the event of two (2) conflicting votes by Co-Owners of a Lot, no vote shall be counted for that Lot. In no event shall fractional or cumulative votes be exercised with respect to any Lot. Only those Owners whose accounts with the Association are not delinquent and paid in full at least forty-eight (48) hours prior to the start of the meeting shall be entitled to vote.

3.10 Waiver of Irregularities. All inaccuracies and irregularities in calls or notices of meetings and in the manner of voting, in the form of proxies and the method of ascertaining Owners present, and in the decision and votes of the Board or of the Owners shall be deemed waived by those Members in attendance if no objection is made at the meeting. For those Members who are not in attendance at the meeting, the right to challenge inaccuracies and irregularities in calls, notices, voting, and decisions shall be waived if no objection is made within thirty (30) days of the date of the meeting.

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

3.12 Minutes of Meetings. The Secretary, or the Manager, shall take minutes of all Owner meetings. The minutes shall include, at a minimum, (1) the identification of the Persons present in person and by proxy, (2) the meeting date, (3) the identification of any issue that is voted on or decided in the meeting, (4) the number of votes cast for and against any issue decided upon, and (5) the exact wording of any resolution passed at the meeting. The failure to take appropriate minutes or otherwise comply with this section does not invalidate any action taken at a meeting. Draft meeting minutes for each Owner meeting shall be made available to requesting Owners within sixty (60) days of the meeting.

ARTICLE IV

BOARD OF DIRECTORS

4.1 Powers. The Project and the business and affairs of the Association shall be governed and managed by the Board of Directors. The Board may exercise business judgment and all of the powers of the Association, whether derived from the Declaration, these Bylaws, the Articles, or the Acts except such powers that the Declaration, these Bylaws, the Articles, and the Acts vest solely in the Owners.

4.2 Number and Qualifications. The Board of Directors shall be composed of three (3) persons. Board Members must be at least 18 years old and must be an Owner or the spouse of an Owner of a Lot in the Project. No two (2) Board Members may reside in the same Unit or be business partners if the business is related to their ownership of a single Lot. If an Owner is a corporation, partnership, limited liability company, or trust, an officer, partner, member, manager, agent, trustee, or beneficiary of such Owner may be a Board Member. If a Board Member ceases to meet any required qualifications during the Board Member's term, such person's membership on the Board shall automatically terminate. During the Period of Administrative Control, the qualification requirements of these Bylaws shall not apply and the Declarant may exercise all powers of the Board as permitted by law.

4.3 Election. During the Period of Administrative Control, Board Members shall be appointed by Declarant. Following the Period of Administrative Control, the election of Board Members shall be made by the Owners. At each such election, the Owners or their proxies may cast, with respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The Association may accept written ballots for Board Member election voting purposes from those Members unable to attend a meeting in which an election is held. The persons receiving the largest number of votes shall be elected. The election of Board Members may be conducted through open voting or by secret ballot. Cumulative voting is not permitted.

4.4 Term of Office. During the Period of Administrative Control, Board Member terms shall be determined exclusively by Declarant. Following the Period of Administrative Control, the Owners shall elect Board Members for two (2) year terms. However, at the first election following the Period of Administrative Control, the Board Member receiving the highest votes will serve a two (2) year term and the remaining will serve a one (1) year term to establish staggered terms. The terms shall overlap so that elections for Board Member positions are held each year. Board Members may serve consecutive terms if elected.

4.5 Regular Meetings. The Board shall hold meetings at least annually or more often at the discretion of the Board. During the Period of Administrative Control, Board Meetings shall be held at the discretion of the Declarant so long as at least one Board Meeting is held each year and a Board Meeting is held each time the Association increases a fee or raises an Assessment.

4.6 Special Meetings. Special meetings may be called by the President or a majority of Board Members on at least two (2) business days' prior notice to each Board Member and those Owners who have requested notice.

4.7 Meeting Notice. Notice shall be given to Board Members and Owners who have requested notice personally, by email, or by telephone, including text message at least two (2) business days in advance of the meeting. By unanimous consent of the Board, Board meetings may be held without call or notice to the Board Members, but notice shall always be provided to those Owners who have requested notice of Board meetings.

4.8 Quorum and Manner of Action. A majority of Board Members shall constitute a quorum for the transaction of business. The act of a majority of the Board Members present at any meeting at which a quorum is present, and for which proper notice was provided, shall be the act of the Board. The Board Members shall act only as the Board of Directors, and individual Board Members shall have no powers as such.

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

4.10 Open Meetings. Except as provided below in (a) through (f), following the Period of Administrative Control, Board meetings shall be open to Owners. The Board may hold a closed executive session during a meeting of the Board if the purpose of the closed executive session is to: (a) Consult with legal counsel to obtain legal advice and discuss legal matters; (b) Discuss existing or potential litigation, mediation, arbitration, or an administrative proceeding; (c) Discuss a labor or personnel matter; (d) Discuss a matter relating to contract negotiations, including the review of a bid or proposal; (e) Discuss a matter involving a Person, if the Board determines that public knowledge of the matter would violate the Person's privacy; or (f) Discuss a delinquent assessment. During the Period of Administrative Control, Board meetings may be closed to Owners, unless the Board, in its sole discretion and without obligation, determines to open the meeting (or a portion thereof) to the Owners. Notwithstanding the foregoing, the Board meetings required under Utah Code §57-8a-226(6)(b) shall be open to all Owners.

4.11 Board Meetings Generally. The Board may designate any place in the County as the place of meeting for any regular or special Board meeting. The Board may allow attendance and participation at any Board meeting by telephone or any other electronic means that allows for Board Members to communicate orally in real time. Following the Period of Administrative Control, if a Board meeting is held by telephone, the Association shall provide the call-in information such that Owners may call-in to access the meeting.

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

4.13 Compensation. No Board Member shall receive compensation for any services that such member may render to the Association as a Board Member; provided, however, that a Board Member may be reimbursed for expenses incurred in performance of such duties as a Board Member to the extent such expenses are approved by a majority of the other Board Members. Nothing herein contained shall be construed to preclude any Board Member from serving the Project in any other capacity and receiving compensation therefore, so long as approved in advance by a majority of disinterested Board Members.

4.14 Resignation and Removal. Board Members may resign at any time by delivering written resignation to another Board Member. Unless otherwise specified therein, such resignation shall take effect upon delivery. Any Board Member who is appointed by the Declarant may only be removed by the Declarant. The Declarant may remove a Board Member it appoints at any time. A Board Member elected by the Owners after the Period of Administrative Control may be removed at any time, with or without

cause, at a Special Meeting of the Owners duly called for such purpose upon the affirmative vote of more than fifty percent (50%) of the entire voting interests of the Association. At such a meeting, the Owners shall vote for a new Board Member to fill the remaining term of the removed Board Member. Board Members may also be removed by a majority vote of the other active Board Members upon the occurrence of any of the following: failure to attend three (3) consecutive Board meetings, failure to remain current on Assessments, or a violation of the Governing Documents. If removal occurs based on the preceding sentence, then the remaining Board Members may appoint a replacement to serve the remaining term of the removed Board Member.

4.15 Vacancies. If vacancies occur during the Period of Administrative Control, the Declarant shall appoint a Board Member to fill the vacancy. Following the Period of Administrative Control, if vacancies occur for any reason (including death, resignation, or disqualification) except removal by the Owners, the Board Members then in office shall continue to act, and such vacancies shall be filled by a majority vote of the Board Members then in office, though less than a quorum. Vacancies occurring by reason of removal by the Owners may be filled by election of the Owners at the meeting at which such Board Member is removed. Board Members elected or appointed hereunder to fill a vacancy shall serve for the unexpired term of his predecessor. Except by reason of death, resignation, disqualification, or removal, Board Members shall continue to serve until their successors are elected.

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

4.17 Waiver of Notice. Before or at any meeting of the Board, any Board Member or Owner may waive notice of such meeting and such waiver shall be deemed the equivalent of proper notice. Attendance by a Board Member or Owner at any meeting thereof shall be a waiver of notice by that Board Member or Owner of the time, place, and purpose thereof.

4.18 Adjournment. The Board may adjourn any meeting from day to day for such other time as may be prudent or necessary, provided that no meeting may be adjourned for longer than thirty (30) days.

4.19 Meeting. A Board meeting does not include a gathering of Board Members at which the Board does not conduct and vote on Association business.

ARTICLE V OFFICERS

5.1 Officers. The officers of the Association shall be a President, Secretary, Treasurer, and such other officers as may be appointed by the Board. Officers shall not be required during the Period of Administrative Control.

5.2 Election, Tenure, and Qualifications. Officers shall be elected by the Board at the first Board meeting following each Annual Meeting of the Owners. Each officer shall hold such office until the next ensuing meeting of the Board following the Annual Meeting of the Owners and until a successor has been elected and qualified, or until such officer's death, resignation, disqualification, or removal in the manner provided in these Bylaws, whichever first occurs. Any person may hold any two (2) or more of such offices, except that the President may not also be the Secretary. No person holding two (2) or more offices shall act in or execute any instrument in the capacity of more than one (1) office.

5.3 Subordinate Officers. The Board may appoint such other officers or agents as it may deem advisable, each of whom shall have such title, hold office for such period, have such authority, and perform such duties as the Board may from time to time determine.

5.4 Resignation and Removal. Officers may resign at any time by delivering a written resignation to any Board Member. Unless otherwise specified therein, such resignation shall take effect upon delivery. Any officer may be removed and replaced upon the affirmative vote of a majority of the Board Members at any time, with or without cause.

5.5 Vacancies. If a vacancy occurs in an office for any reason, or if a new office is created, such vacancies or newly created offices may be filled by majority vote of the Board at any regular or special Board meeting.

5.6 President. The President shall be the chief executive of the Association. The President shall preside at meetings of the Board of Directors and at meetings of the Owners. At the meetings, the President shall have all authority typically granted to the person presiding over the meeting including but not limited to: (1) the right to control the order of the meeting, (2) the right to arrange for the removal of any disruptive Owner or person, (3) the right to impose and enforce reasonable rules and procedures related to the meeting such as those found in "Robert's Rules of Order" or "The Modern Rules of Order." The President shall sign on behalf of the Association all conveyances, mortgages, documents, and contracts, and shall do and perform all other acts and things as required by the Board.

5.7 Secretary. The Secretary shall keep the minutes of the Association and shall maintain such books and records as these Bylaws, the Declaration, Rules, or any resolution the Board may require. The Secretary shall also act in the place of the President in the event of the President's absence or inability or refusal to act. The duties of the Secretary may be delegated to the Manager.

5.8 Treasurer. The Treasurer shall have the custody and control of the funds and financial accounts of the Association, subject to the action of the Board, and when requested by the President, shall report the state of the finances of the Association at each meeting of the Owners and at any meeting of the Board. The Treasurer shall perform such other duties as required by the Board. The duties of the Treasurer may be delegated to the Manager.

5.9 Compensation. No officer shall receive compensation for any services rendered to the Association as an officer, provided, however, that an officer may be reimbursed for expenses incurred in performance of such duties as an officer to the extent such expenses are approved by the Board.

ARTICLE VI COMMITTEES

6.1 Designation of Committees. The Board may designate committees as it deems appropriate in carrying out its duties, responsibilities, functions, and powers. No committee members shall receive compensation for services rendered to the Association as a member of a committee; provided, however, that a committee member may be reimbursed for expenses incurred in performance of such duties as a committee member to the extent that such expenses are approved by the Board. A committee shall not have powers, duties, or responsibilities beyond those specifically assigned by the Board in a written resolution. The Board may terminate a committee at any time.

6.2 Proceeding of Committees. Each committee may appoint its own presiding and recording officers and may meet at such places and times and upon such notice as such committee may determine. Each such committee shall keep a record of its proceedings and shall regularly report such proceedings to the Board.

6.3 Quorum and Manner of Acting. At each committee meeting, the presence of members constituting at least a majority of the authorized membership of such committee (but in no event fewer than two (2) members) shall constitute a quorum for the transaction of business, and the act of a majority of the members present at any meeting at which a quorum is present shall be the act of such committee. The committee members shall act only as a committee, and the individual members thereof shall have no powers as such. A committee may only exercise the authority granted to it by the Board.

6.4 Resignation and Removal. A committee member may resign at any time by delivering a written resignation to the President, the Board, or the presiding officer of such committee. Unless otherwise specified therein, such resignation shall take effect upon delivery. The Board may at any time, with or without cause, remove any committee member.

6.5 Vacancies. If a vacancy occurs in a committee for any reason, the remaining members shall, until the filling of such vacancy by the Board, constitute the then total authorized membership of the committee and, provided that two (2) or more members are remaining, may continue to act. Such vacancy may be filled at any meeting of the Board.

ARTICLE VII INDEMNIFICATION

7.1 Indemnification. No Board Member, officer, or committee member shall be personally liable for any obligations of the Association or for any duties or obligations arising out of any acts or conduct said Board Member, officer, or committee member performed for or on behalf of the Association. The Association shall and does hereby indemnify and hold harmless each person who shall serve at any time as a Board Member, officer, or committee member of the Association, as well as such person's heirs and administrators, from and against any and all claims, judgments and liabilities to which such persons shall become subject, by reason of that person having heretofore or hereafter been a Board Member, officer, or committee member of the Association or by reason of any action alleged to have been heretofore or hereafter taken or omitted to have been taken by him as such Board Member, officer, or committee member and shall reimburse any such person for all legal and other expenses reasonably incurred in connection with any such claim or liability; provided that no such person shall be indemnified against or be reimbursed for or be defended against any expense or liability incurred in connection with any claim or action arising out of such person's willful or intentional misconduct. The rights accruing to any person under the foregoing provisions of this Section shall not exclude any other right to which such person may lawfully be entitled, nor shall anything herein contained restrict the right of the Association to defend, indemnify, or reimburse such person in any proper case, even though not specifically provided for herein or otherwise permitted. The Association, its Board Members, officers, committee members, employees, and agents shall be fully protected in taking any action or making any payment or in refusing so to do in reliance upon the advice of counsel.

7.2 Other Indemnification. The defense and indemnification provided herein shall not be deemed exclusive of any other right to defense and indemnification to which any person seeking indemnification may be entitled under the Acts or under any agreement, vote of disinterested Board Members or otherwise, both as to action taken in any official capacity and as to action taken in any other capacity while holding such office. It is the intent that all Board Members, officers, and committee members

be and hereby are defended and indemnified to the fullest extent permitted by the laws of the State of Utah and these Bylaws. The defense and indemnification herein provided shall continue as to any person who has ceased to be a Board Member, officer, committee member, or employee and shall inure to the benefit of the heirs, executors and administrators of any such person.

7.3 Insurance. The Board, in its discretion, may direct that the Association purchase and maintain Directors and Officers insurance on behalf of any person who is or was a Board Member, officer, committee member, Manager or employee of the Association or is or was serving at the request of the Association as a Board Member, officer, committee member, Manager, employee, or agent of another association, corporation, partnership, joint venture, trust or other enterprise against any liability asserted against, and incurred by, such person in any such capacity or arising out of such person's status as such, whether or not the Association would have the power to defend or indemnify such person against liability under the provisions of this Article.

7.4 Settlement by Association. The right of any person to be defended and/or indemnified shall be subject always to the right of the Association through the Board, in lieu of such defense and/or indemnity, to settle any such claim, action, suit or proceeding at the expense of the Association by the payment of the amount of such settlement and the costs and expenses incurred in connection therewith.

ARTICLE VIII RULES AND REGULATIONS

8.1 Rules. The Board shall have the authority to adopt Association Rules as it deems necessary for the maintenance, operation, management, and control of the Project. The Board may from time to time, by resolution, alter, amend, and repeal such Rules and use their best efforts to see that they are strictly observed by all Owners and residents. Owners are responsible to ensure that their lessees, invitees, and guests strictly observe the Rules then in effect as well as the covenants and restrictions of the Declaration and shall be jointly and severally liable for their violations and resulting fines. Copies of all Rules adopted by the Board shall be sent to all Owners at least ten (10) days prior to the effective date thereof.

ARTICLE IX AMENDMENTS

9.1 Amendments by Declarant. During the Period of Administrative Control, or so long as the Declarant owns one or more Lots in the Project or any Additional Land, the Declarant acting alone may amend the Bylaws for any reason, without Owner approval. Declarant's unilateral amendment right as designated herein may continue past the expiration of the Period of Administrative Control. No other amendment shall be valid or enforceable during the period Declarant owns at least one Lot or any Additional Land unless the Declarant has given written consent to such amendment. Any amendment during the period Declarant owns at least one Lot or any Additional Land shall be executed by Declarant on behalf of the Association and shall become effective upon recordation in the office of the County Recorder.

9.2 Amendments by Association. After Declarant has annexed all of the Additional Land, has sold all of the Lots to unaffiliated third parties, and the Period of Administrative Control has expired, the Bylaws may be amended by the Owners upon the affirmative vote of more than sixty-seven percent (67%) of the voting interest of the Association. Any amendment(s) shall be effective upon recordation in the office of the County Recorder. In such instrument the President shall execute the amendment and certify that the vote required by this Section has occurred. If a Lot is owned by more than one Owner, the vote of any one Owner shall be sufficient to constitute approval for that Lot under this Section. If a Lot is owned by an entity or trust, the vote of any one officer, trustee, or agent of the entity shall be sufficient to constitute

approval for that Lot under this Section. No amendment shall restrict, limit, or impair any Declarant rights without the express written consent of the Declarant.

ARTICLE X
MISCELLANEOUS PROVISIONS

10.1 Waiver. No restriction, condition, obligation, or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

10.2 Invalidity; Number; Captions. The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability, or effect of the balance of these Bylaws. As used in these Bylaws, 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 are intended solely for convenience of reference and shall in no way limit any of the provisions of these Bylaws.

10.3 Conflicts. These Bylaws are intended to comply with the Declaration. In case of any irreconcilable conflict, the Declaration shall control over these Bylaws.

IN WITNESS WHEREOF, the Declarant has executed and adopted these Bylaws on behalf of the Association this 18th day of December, 2024.

DECLARANT

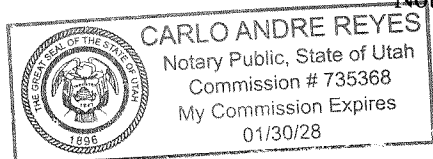
LENNAR HOMES OF UTAH, LLC,
a Delaware limited liability company

By: [Signature]
Name: Bryson Fish
Its: Div. President

COURTESY RECORDING
This document is being recorded solely as a courtesy and an accommodation to the parties named herein. First American Title Insurance Agency hereby expressly disclaims any responsibility or liability for the accuracy or the content thereof.

STATE OF UTAH)
COUNTY OF Salt Lake) ss.

On the 18th day of December, 2024, personally appeared before me Bryson Fish who by me being duly sworn, did say that she/he is an authorized representative of Lennar Homes of Utah, LLC, and that the foregoing instrument is signed on behalf of said company and executed with all necessary authority.



Notary Public: [Signature]