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GARY W. OTT
RECORDER, SALT LAKE COUNTY, UTAH
ALAN THORPE
BY: JLJ, DEPUTY - WI 44 P.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
AND RESERVATION OF EASEMENTS FOR
OLD MILL POINT SUBDIVISION

THIS DECLARATION, made this _____ day of _____, 2005, by OLD MILL DEVELOPERS, L.L.C., Declarant:

R E C I T A L S :

A. Declarant is the owner of certain property in the County of Salt Lake, State of Utah, which is more particularly described as follows:

See Exhibit A which is attached hereto and by this reference incorporated herein.

B. Declarant has deemed it desirable, for efficient preservation of the values and amenities in the real property described above ("Properties"), to create a non-profit corporation under the Utah Revised Nonprofit Corporation Act to which should be delegated and assigned the powers of owning, maintaining and administering the Common Area and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created, which said corporation is sometimes hereafter referred to as the "Association."

22-23-402-034

C. Declarant will or has caused such corporation, the members of which shall be the respective Owners of Lots in the Properties and Owners of the Lots in real property annexed pursuant to this Declaration, to be formed for the purpose of exercising the functions aforesaid.

D. Declarant will develop and convey all of the Properties, as hereinafter defined, pursuant to a general plan for all of the Properties and subject to certain protective covenants, conditions, restrictions, reservations, easements, equitable servitudes, liens and charges, all running with the Properties as hereinafter set forth.

E. Declarant hereby declares that all of the Properties shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied and improved, subject to the following easements, restrictions, covenants, conditions and equitable servitudes, all of which are for the purpose of uniformly enhancing and protecting the value, attractiveness and desirability of the Properties, in furtherance of a general plan for the protection, maintenance, subdivision, improvement and sale of the properties, or any portion thereof. The covenants, conditions, restrictions, reservations, easements and equitable servitudes set forth herein shall run with the Properties and shall be binding upon all persons having any right, title or interest in the Properties or any part thereof, their heirs, successors and assigns and shall inure to the benefit of every portion of the Properties and any interest therein; and shall inure to the benefit of and be binding upon Declarants, their successors in interest and each owner and his respective successors in interest; and may be enforced by any Owner and his successors in interest and by the Association.

Notwithstanding the foregoing, no provision of this Declaration shall be construed as to prevent or limit Declarant's rights to complete development of the Properties and construction of improvements thereon, nor Declarant's rights to maintain model homes, construction, sales or leasing offices or similar facilities on any property in the Properties, owned by Declarant or the Association, nor Declarant's right to post signs incidental to construction, sales or leasing.

ARTICLE I

Definitions

Unless otherwise expressly provided, the following words and phrases, when used herein, shall have the meaning hereinafter specified:

Section 1. "Architectural Committee" shall mean the committee created pursuant to Article VIII hereof.

Section 2. "Articles" shall mean the Articles of Incorporation of the Association which have been or shall be filed with the Division of Corporations and Commercial Code, Department of Commerce, State of Utah, and as such Articles may be amended, from time to time.

Section 3. "Common Assessment" shall mean the charges against each Owner and his Lot, representing a portion of the total costs to the Association of maintaining, improving, repairing, replacing, managing and operating the Properties, which are to be paid uniformly and equally by each Owner to the Association, as provided herein.

Section 4. "Special Assessments" shall mean a charge against a particular Owner and his Lot, directly attributable to the Owner, equal to the cost incurred by the Association for corrective action performed pursuant to the provisions of this Declaration, plus interest thereon as provided for in this Declaration.

Section 5. "Reconstruction Assessment" shall mean a charge against each Owner and his Lot representing a portion or portions of the cost to the Association for reconstruction of any portion or portions of the improvements on the Common Area pursuant to the provisions of this Declaration.

Section 6. "Capital Improvement Assessment" shall mean a charge against each Owner and his Lot representing a portion of the costs to the Association for installation or construction of any improvements on any portion of the Common Area which the Association may, from time to time, authorize.

Section 7. "Association" shall mean Old Mill Point Homeowners Association, a corporation formed under the Utah Revised Nonprofit Corporation Act, its successors and assigns.

Section 8. "Beneficiary" shall mean mortgagee under a mortgage or a beneficiary or holder under a Deed of Trust, as the case may be and the assignees of such mortgagee, beneficiary or holder.

Section 9. "Board" shall mean the Board of Directors of the Association, elected in accordance with the Bylaws of the Association.

Section 10. "Bylaws" shall mean the Bylaws of the Association which have been or shall be adopted by the Board, and as such Bylaws may be amended, from time to time.

Section 11. "Common Area" shall mean all the real property and improvements, including without limitation, any

drainage basins, landscaped areas, private roadways, and walkways which are owned by the Association for the common use and enjoyment of the Owners of Lots. The common Area to be so owned by the Association at the time of the conveyance of the first Lot shall also include the following described property located in the County of Salt Lake, State of Utah:

See Exhibit B which is attached hereto and by this reference incorporated herein.

Section 12. "Common Expenses" shall mean the actual and estimated costs of: maintenance, management, operation, repair and replacement of the Common Area (including unpaid special assessments, reconstruction assessments and capital improvement assessments), including those costs not paid by the Owner responsible for payment; costs of management and administration of the Association, including, but not limited to, compensation paid by the Association to manager, accountants, attorneys and other employees; the costs of all utilities, gardening and other services benefiting the Common Area and all recreational facilities thereon; the costs of fire, casualty and liability insurance, workmen's compensation insurance and other insurance covering the Properties and the costs of bonding of the members of the management body; taxes paid by the association; amounts paid by the Association for discharge of any lien or encumbrance levied against the Properties or any portions thereof; and the costs of any other item or items designated by or in accordance with other expenses incurred by the Association for any reason whatsoever in connection with the Properties, for the benefit of all of the Owners of Lots.

Section 13. "Declarant" shall mean and refer to Old Mill Developers, L.L.C., a Utah limited liability company, its successors, and assigns, so long as Declarant assigns such rights of Declarant hereunder to any person by an express written assignment.

Section 14. "Declaration" shall mean and refer to this instrument as it may be amended from time to time.

Section 15. "Deed of Trust" shall mean and refer to a mortgage or a Deed of Trust, as the case may be.

Section 16. "Dwelling Unit" shall mean and refer to a building located on a Lot designed and intended for the use and occupancy as a residence by a single family.

Section 17. "Family" shall mean: (1) a group of natural persons related to each other by blood or legally related to each other by marriage or adoption, or (2) a group of not more than three (3) persons not all so related, inclusive of their domestic servants, who maintain a common household in a residence on a Lot.

Section 18. "Improvement" shall mean all structures and appurtenances of every type and kind, including but not limited to buildings, out buildings, walkways, sprinkler pipes, carports, roads, driveways, parking areas, fences, screening walls, retaining walls, stairs, decks, landscaping, hedges, windbreaks, plantings, planted trees and shrubs, poles, signs, exterior air conditioning and water softener fixtures or equipment.

Section 19. "Properties" shall mean and refer to all of the real property described in paragraph A of the Recitals to this Declaration.

Section 20. "Maintenance Funds" shall mean the accounts created for the receipts and disbursements of the Association pursuant to Article VI hereof.

Section 21. "Lot" shall mean and refer to any residential lot or parcel of land shown upon any recorded subdivision plat of Old Mill Point Subdivision with the exception of the Common Area.

Section 22. "Manager" shall mean the person, firm or corporation appointed by the Association hereunder as its agents and delegated certain duties, powers or functions of the Association.

Section 23. "Member" shall mean any person or entity holding a membership in the Association as provided herein.

Section 24. "Mortgage, Mortgagee" shall mean any mortgage or Deed of Trust or other conveyance of a Lot to secure the performance of an obligation, which will be void and reconveyed upon the completion of such performance. The term "Deed of Trust" or "Trust Deed," when used herein, shall be synonymous with the term "Mortgage." The term "Mortgagee" shall mean a person or entity to whom a mortgage is made and shall include the beneficiary of a Deed of Trust; "Mortgagor" shall mean a person or entity who mortgages his or its property to another (i.e., the maker of a mortgage) and shall include the Trustor of a Deed of Trust. The term "Trustor" shall be synonymous with the term "mortgagor" and

the term "Beneficiary" shall be synonymous with the term "Mortgagee."

Section 25. "Notice and Hearing" shall mean written notice and a public hearing before a tribunal appointed by the Board at which the Owner concerned shall have opportunity to be heard in person or by counsel at Owner's expense, in the manner further provided in the Bylaws.

Section 26. "Owner" shall mean and refer to a person or persons or other legal entity or entities, including Declarants, holding fee simple interest of record to any Lot which is part of the Properties, including sellers under executory contracts of sale, but excluding those having such interest merely as security for the performance of an obligation. For purposes of Article X only, unless the context otherwise requires, Owner shall also include the family, invitees, licensees and lessees of any Owner.

Section 27. "Person" shall mean a natural individual or any other entity with the legal right to hold title to real property.

Section 28. "Record, Recorded, Filed and Recordation" shall mean, with respect to any document, the recordation of such document in the office of the County Recorder of the County of Salt Lake, State of Utah.

Section 29. "Subdivision" shall mean a parcel of real property which has been divided or separated into lots shown on a recorded subdivision map.

The foregoing definitions shall be applicable to this Declaration unless otherwise expressly provided, recorded pursuant to the provision of this Declaration.

ARTICLE II

Owners' Property Rights

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of ingress and egress and of enjoyment in, to and over the Common Area which shall be appurtenant to and shall pass with title to every Lot, subject to the following provisions:

(a) The right of the Association to reasonably limit the number of guests of Owners using the Common Area facilities.

(b) The right of the Association to establish uniform rules and regulations pertaining to the use of the Common Area,

including but not limited to, the right and obligation of the Association to enforce all parking restrictions within the Common Area as set forth in Section 3 of Article II herein.

(c) The right of the Association, in accordance with its Articles of Incorporation, Bylaws and this Declaration, with the vote of or written consent of the Owners holding two-thirds (2/3rds) of the voting power of the Association, to borrow money for the purpose of improving the Common Area and facilities and in aid thereof, and subject to the provisions of Article XIV of this Declaration, to mortgage, pledge, deed in trust or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, provided that the rights of such Mortgagee shall be subordinated to the rights of the Owners.

(d) The right of the Association to suspend the voting rights and right to use the Common Area facilities by an Owner for any period during which any assessment against his Lot remains unpaid and delinquent; and for a period not to exceed thirty (30) days for any single infraction of the published rules and regulations of the Association, provided that any suspension of such voting rights or right to use the Common Area facilities, shall be made only by the Board of Directors of the Association, after notice and an opportunity for hearing as provided in the Bylaws of the Association.

(e) Subject to the provisions of Article XIV of this Declaration, the Association shall have the right to dedicate, release, alienate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication, release, alienation or transfer shall be effective, unless an instrument signed by Owners entitled to cast two-thirds (2/3rds) of the voting power of the Association, agreeing to such dedication, release, alienation or transfer has been recorded.

(f) The right of the Declarant (and its sales agents, customers and representatives) to the non-exclusive use of the Common Area and the facilities thereof, without charge, for sales, display, access, ingress, egress and exhibit purposes, which right Declarant hereby reserves; provided, however, that such use shall not be for a period of more than eight (8) years after the date of recording of this Declaration. Upon the request of Declarant and upon the vote of fifty-one percent (51%) of the Class A Members, this term may be extended for an additional period of time.

(g) The right of the Association (by action of the Board) to reconstruct, replace or refinish any improvement or portion thereof upon the Common Area, in accordance with the original design, finish or standard of construction of such improvements, or of the general improvements within the Properties,

as the case may be; and not in accordance with such original design, finish or standard of construction only with the vote or written consent of the Owners entitled to cast two-thirds (2/3rds) of the voting power of the Association.

(h) The right of the Association to replace destroyed trees or other vegetation and plant trees, shrubs and ground cover upon any portion of the Common Area.

(i) Any modification to the open space area must be approved in advance by the local governmental jurisdiction. Under no circumstances shall the open space area and associated amenities be eliminated.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the Bylaws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants or contract purchasers who reside in his dwelling unit, subject to reasonable regulation by the Board.

Section 3. Easements for Parking. Temporary guest parking shall be permitted within the Common Area only within spaces and areas clearly marked for this purpose. Spaces shall be shown by signs or markings on the paved area. "No parking" areas along paved roads shall be marked by signs. The Association, through its officers, committees and agents, is hereby empowered to establish "parking" and "no parking" areas within the Common Area, as well as to enforce these parking limitations by all means lawful for such enforcement, including the removal of any violating vehicle by those so empowered.

Section 4. Easements for Vehicular Traffic. In addition to the general easements for use of the Common Area reserved herein, there shall be and Declarant hereby reserves and covenant for themselves and all future Owners within the Properties, that each and every owner shall have a non-exclusive easement appurtenant for vehicular traffic over all private streets within the Properties, subject to the parking provisions set forth in Section 3 of Article II hereof.

Section 5. Easements for City and County Use. In addition to the foregoing easements over the Common Area, there shall be, and Declarant hereby reserves, and covenant for themselves and all future Owners, within Old Mill Point Subdivision, easements for city, county and federal public services, including but not limited to, the right of the police to enter upon any part of the Common Area for the purpose of enforcing the laws. The city and the county shall also have the easement and right-of-way on the Common Areas and facilities for the purpose of repairing and replacing facilities therein and thereon at their option in the event the Association fails and neglects so to do and to have a lien therefor to guarantee repayment of the costs

thereof against all Lots in the Properties.

Section 6. Easements for Snow Removal and Storage. Declarant hereby reserves, and covenant for itself, for all future Owners within Old Mill Point Subdivision, and for city and county public services, easements for the removal of snow and ice from the Common Area and for the disposal or storage of the said snow and ice upon an area measuring 10 feet in depth along and adjacent to all streets within the Properties.

Section 7. Waiver of Use. No owner may exempt himself from personal liability for assessments duly levied by the Association nor release the Lot or other property owned by him from the liens and charges hereof, by waiver of the use and enjoyment of the Common Area and the facilities thereon or by abandonment of his Lot or any other property in the Properties.

Section 8. Title to the Common Area. The Declarant hereby covenants, for itself, its successors and assigns, that it will convey fee simple title to the Common Area described in Article I, Section 11 of this Declaration to the Association, free and clear of all encumbrances and liens, except easements, conditions and reservations set forth in this Declaration. Said conveyance shall be made prior to the conveyance of the first Lot to a purchaser from Declarant.

Section 9. Taxes. Each Owner shall execute such instruments and take such action as may be reasonably specified by the Association to obtain separate real estate tax assessments on each Lot. If any taxes or assessments may, in the opinion of the Association, nevertheless be a lien on more than one Lot not under common ownership or any part thereof, they may be paid by the Association and each Owner shall be obligated to pay or to reimburse the Association for, as the case may be, the taxes and assessments assessed by the County Assessor or other taxing authority against his own Lot and interest, if any, in the Common Area.

ARTICLE III

Membership in the Association

Section 1. Membership. Every Owner of a Lot shall be a member of the Association and no Owner shall have more than one membership in the Association. Memberships in the Association shall not be assignable, except to the successor in interest of the Member, and every membership in the Association shall be appurtenant to and may not be separated from the fee ownership of such Lot. Ownership of such Lot shall be the sole qualification for membership in the Association.

Section 2. Transfer. The Association membership held

by any Owner of a Lot shall not be transferred, pledged or alienated in any way, except upon the sale or encumbrance of such Lot and then only the purchaser or Mortgagee of such Lot. Any attempt to make a prohibited transfer is void and will not be reflected upon the books and records of the Association. A Class A Member who has sold his Lot to a contract purchaser under an agreement to purchase shall be entitled to delegate to such contract purchaser his membership rights in the Association. Such delegation shall be in writing and shall be delivered to the Board before such contract purchaser may vote. However, the contract seller shall remain liable for all charges and assessments attributable to his Lot until fee simple title to the Lot sold is transferred. In the event the Owner of any Lot shall fail or refuse to transfer the membership registered in his name to the purchaser of such Lot upon transfer of fee title thereto, the Board of Directors shall have the right to record the transfer upon the books of the Association. The Board of Directors shall have the right to charge a reasonable Special Assessment against any Owner and his Lot, equal to the cost to the Association of effectuating any such transfer of his membership upon the books of the Association.

ARTICLE IV

Voting Rights

Section 1. Classes of Voting Membership. The Association shall have two (2) classes of voting membership as follows:

Class A. Class A Members shall originally be all Owners, with the exception of the Declarant for so long as there exists a Class B Membership. Class A Members shall be entitled to one (1) vote for each Lot owned. Declarant shall become a Class A member with regard to Lots owned by Declarant upon conversion of Declarant's Class B Membership as provided below. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised in accordance with Article IV, Section 2 of this Declaration and in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. Class B Membership shall be the Declarant and it shall be entitled to twelve (12) votes for each Lot owned by Declarant. The Class B Membership shall cease and be converted to Class A Membership on the happening of any of the following events, whichever occurs earliest:

(a) When the total votes outstanding in the Class A Membership equals the total votes outstanding in the Class B Membership; or

(b) Three (3) years from the date of recording this

Declaration; or

(c) On voluntary cancellation of Class B Membership by Declarant.

Section 2. Vote Distribution. Class A Members shall be entitled to one (1) vote for each Lot in which they hold the interest required for membership. When more than one person holds such interest or interests in any Lot ("co-owner"), all such co-owners shall be Members and may attend any meetings of the Association, but only one such co-owner shall be entitled to exercise the vote to which the Lot is entitled. Such co-owners may, from time to time, all designate in writing one of their number to vote. Fractional votes shall not be allowed and the Class A vote for each Lot shall be exercised, if at all, as a unit. Where no voting co-owner is designated or if such designation has been revoked, the vote for such Lot shall be exercised as the majority of the co-owners of the Lot mutually agree. Unless the Board receives a written objection from a co-owner, it shall be presumed that the corresponding voting co-owner is acting with the consent of his or her co-owners. No vote shall be cast for any Lot where the majority of the co-owners present in person or by proxy and representing such Lot cannot agree to said vote or other action. The non-voting co-owner or co-owners shall be jointly and severally responsible for all of the obligations imposed upon the jointly owned Lot and shall be entitled to all benefits of ownership. All agreements and determinations lawfully made by the Association in accordance with the voting percentages established herein, or by the Bylaws of the Association shall be deemed to be binding on all Owners, their successors and assigns. Said voting rights shall be subject to the restrictions and limitations provided in this Declaration and in the Articles of Incorporation and Bylaws of the Association.

ARTICLE V

Duties and Powers of the Association

The Association, acting through the Board of Directors, shall also have the power and duty to:

(a) Maintain, repair and otherwise manage the Common Area and facilities, improvements and landscaping thereon in accordance with the provisions of Article VI of this Declaration.

(b) Maintain all private streets within the Properties, including cleaning and periodic resurfacing.

(c) Maintain all private sewer systems within the Common Area.

(d) Grant easements, rights-of-way or strips of land, where necessary, for utilities and sewer facilities over the Common Area to serve the Common Area and the Lots.

(e) Maintain such policy or policies of liability and fire insurance with respect to the Common Area and personal property, if any, owned by the Association as provided herein in furthering the purposes of and protecting the interests of the Association and Members and as directed by this Declaration and the Bylaws of the Association.

(f) Employ or contract with a professional manager to perform all or any part of the duties and responsibilities of the Association and shall have the power to delegate its powers to committees, officers and employees. Any such agreement shall be for a term not in excess of three (3) years, subject to cancellation by either party without cause or payment of a termination fee upon ninety (90) days or less written notice.

ARTICLE VI

Covenants for Maintenance Assessments

Section 1. Creation of the Lien and Personal Obligation of Assessments. Declarant, for each Lot owned by it within the Properties, hereby covenants and each owner of any Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, has deemed to covenant and agree to pay to the Association: (1) common assessments for common expenses; (2) capital improvement assessments; (3) special assessments; and (4) reconstruction assessments; such assessments to be established and collected as hereinafter provided. Such assessments, together with interest, costs and reasonable attorney's fees for the collection thereof, shall be a charge on the land and shall be a continuing lien upon the property against which such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. Subject to provisions of this Declaration protecting first mortgagees, the personal obligation for delinquent assessments shall pass to the successors in interest of such Owner. The Board of Directors shall establish no fewer than two (2) such separate accounts ("Old Mill Point Maintenance Funds") into which shall be deposited all monies paid to the Association and from which disbursements shall be made, as provided herein, in the performance of functions by the Association under the provisions of this Declaration. The Maintenance Funds shall include (1) an Operating Fund for current expenses of the Association and (2) a Common Area Reserve Fund for replacements, painting and repairs (which would not reasonably be expected to recur on an annual or less frequent basis) of the Common Area facilities to the extent necessary under the provisions of this Declaration. The Board of

Directors shall not co-mingle any amounts deposited into any of the Old Mill Point Maintenance Funds with one another. All funds and accounts shall remain the property of the Association (as proportionably attributable to a Lot) and shall not be transferred or refunded upon the sale of a Lot.

Section 2. Purpose of Common Assessments. The assessments levied by the Association shall be used to promote the common health, safety, benefit, recreation and welfare of the Owners and for the improvements and maintenance of the Common Area. The assessments shall also be for an adequate reserve to be used as appropriate for maintenance repairs and replacement of those elements of the common property that must be replaced on a periodic basis. However, disbursements from the Common Area Reserve Fund shall be made by the Board of Directors only for the specific purpose specified in this Article VI. Disbursements from the Operating Fund shall be made by the Board of Directors for such purposes as are necessary for the discharge of its responsibilities herein for the common benefit of all of the Owners, other than those purposes for which disbursements from the Common Area Reserve Fund are to be used. Nothing in this Declaration shall be construed in such a way as to permit the Association to use any assessments to abate any nuisance or annoyance emanating from outside the boundaries of the Properties. Nothing contained herein shall limit, preclude or impair the establishment of additional Old Mill Point Maintenance Funds by the Association, so long as the amounts deposited into any such fund are earmarked for specified purposes authorized by this Declaration.

Section 3. Damage to Common Area by Owners . The foregoing maintenance, repairs or replacements within the Common Area arising out of or caused by the wilful or negligent act of the Owner, his family, guest or invitees shall be done at said Owner's expense or a Special Assessment therefor shall be made against his Lot; provided, however, that the liability of an individual Owner for such damage to the Common Area shall not be absolute, but shall only be that for which the Owner is legally responsible under state law.

Section 4. Common Assessments. The Common Assessment under Article VI shall be ONE HUNDRED FORTY NINE (\$149.00) DOLLARS per month. Provided, however, the Board of Directors may, from time to time, fix the monthly Common Assessment at a higher or lower rate.

Section 5. Capital Improvement and Reconstruction Assessments. In addition to the Common Assessments authorized above, the Board of Directors of the Association may levy, in any assessment year, a Capital Improvement Assessment or Reconstruction Assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a Capital Improvement or

other such addition upon the Common Area, including fixtures and personal property related thereto; provided that any such total assessment in excess of TWO THOUSAND (\$2,000.00) DOLLARS shall have the vote of a majority of the voting power of the Association present, in person or by proxy, at a duly called meeting of Members of the Association at which a quorum is present.

Section 6. Notice of Quorum For any Authorizing Under Section 5. Written notice of any meeting called for the purpose of taking any action by the Members authorized under Section 5 shall be sent to all Members not less than ten (10) days, nor more than sixty (60) days, in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast fifty-one percent (51%) of the voting power of the Association shall constitute a quorum.

Section 7. Uniform Rate of Assessment. Common Assessments, Capital Improvement Assessments and Reconstruction Assessments provided for in this Article VI must be fixed at a uniform rate for all Lots within the Properties; provided, however, that the Association may, subject to the provisions of Section 3 of this Article, levy Special Assessments against selected Owners who have caused the Association to incur special expenses due to wilful or negligent acts of said Owners, their guests or agents. All Common Assessments shall be collected on a regular basis by the Board of Directors, at such frequency as the Board shall determine.

Section 8. Date of Commencement of Common Assessments; Due Date. The Common Assessments provided for herein for each phase of development with the Properties shall commence as to all Lots within such phase of development on the first day of the month following the commencement of maintenance by the Association of the Common Area within the phase. The Board of Directors shall fix the amount of the Common Assessment against each Lot at least thirty (30) days in advance of each Common Assessment period. Written notice of any change in the amount of the Common Assessment shall be sent to every Owner subject thereto, at least thirty (30) days prior to the effective date of such change. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer or agent of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments against a Lot is binding upon the Association as of the date of its issuance.

The Board of Directors shall cause to be prepared an annual balance sheet and operating statement reflecting income and expenditures of the Association for each fiscal year, including deposits in and withdrawals from the Common Area Reserve Fund and the Operating Fund, and shall cause to be distributed a copy of each such statement to each member, and to each first Mortgagee who

has filed a written request for copies of the same with the Board of Directors, in the manner provided in the Bylaws of the Association. At least sixty (60) days prior to the beginning of each fiscal year, the Board of Directors shall prepare and distribute to the Membership of the Association, a written, itemized estimate (budget) of the expenses to be incurred by the Association during such year in performing its functions under this Declaration (including a reasonable provision for contingencies and deposits into the Common Area Reserve Fund, less any expected income and accounting for any surplus from the prior year's respective Old Mill Point Maintenance Fund).

Each Common Assessment shall constitute an aggregate of separate assessments for each of the Maintenance Funds reflecting an itemization of the amounts assessed and attributable to prospective deposits into the Common Area Reserve Fund, the Operating Fund and any other Maintenance Fund established by the Association. If the estimated sums prove inadequate for any reason, including non-payment of any Owner's Common Assessment, the Board may, at any time, levy supplemental Common Assessments for any of the Maintenance Funds which shall be assessed equally against the Owner of each Lot in the Properties.

In the event that any installment of a Common Assessment payment is less than the amount assessed and the payment does not specify the Maintenance Fund or Funds into which it should be deposited, the receipt by the Association from that Owner shall be credited in order of priority, first to the Operating Fund, until that portion of the Common Assessment has been satisfied and second, to the Common Area Reserve Fund.

At the end of any fiscal year of the Association, the Owners may determine that all excess funds remaining in the Operating Fund, over and above the amounts used for the operation of the Properties, may be retained by the Association and used to reduce the following year's Common Assessments. Notwithstanding anything contained in the Articles or Bylaws to the contrary, if prior to dissolution of the Association, the Association has not obtained tax exempt status from both the Federal and state governments, then upon such dissolution of the Association, any amounts remaining in the Common Area Reserve Fund shall be distributed to or for the benefit of the Members in a proportion equal to their individual, respective contributions.

Section 9. Exempt Property. The following property, subject to this Declaration, shall be exempt from the assessment herein:

(a) All properties dedicated to and accepted by a local public authority; and

(b) The Common Area.

ARTICLE VII

Effect of Non-Payment of Assessments;
Remedies of the Association

Section 1. Effect of Non-Payment of Assessments; Remedies of the Association. Any installment of a Common Assessment, Capital Improvement Assessment, Special Assessment or Reconstruction Assessment not paid within thirty (30) days after the due date shall bear interest from the due date of such installment at the rate of twelve percent (12%) per annum. If any installment of an assessment is not paid within thirty (30) days after it is due, the Owner responsible therefor may be required further by the Board of Directors to pay a late charge of FIVE (\$5.00) DOLLARS or five percent (5%) of the amount of the delinquent installment, whichever is greater. The Association may bring an action at law against the Owner, personally obligated to pay the same, or foreclose the lien against the Lot. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot. If any installment of a Common Assessment is not paid within thirty (30) days after its due date, the Board shall mail an acceleration notice to the Owner and to each first mortgage of a Lot which has requested a copy of the notice. The notice shall specify: (1) the fact that the installment is delinquent; (2) the action required to cure the default; (3) a date, not less than thirty (30) days from the date the notice is mailed to the Owner by which such default must be cured; and (4) that failure to cure the default on or before the date specified in the notice may result in acceleration of the balance of the installments of the Common Assessment for the then current fiscal year and sale of the Lot. The notice shall further inform the Owner of his right to cure after acceleration and to bring a court action to assert the non-existence of a default or any other defense of the Owner to acceleration and sale. If the delinquent installments of Common Assessments and any charges thereon are not paid in full on or before the date specified in the notice, the Board, at its option, may declare all of the unpaid balance payable without further demand and may enforce the collection of the full Common Assessment and all charges thereon in any manner authorized by law and this Declaration. If any installment of a Common Assessment, Capital Assessment, Special Assessment or Reconstruction Assessment is not paid within ninety (90) days after the due date, the Board of Directors is hereby authorized and empowered to order and obtain a credit report or credit check of the delinquent Owner.

Section 2. Notice of Assessment. No action shall be brought to enforce any assessment lien herein, unless at least thirty (30) days has expired following the date a Notice of Assessment is deposited in the United States mail, certified or

registered, postage prepaid, to the Owner of the Lot and a copy thereof has been recorded by the Association in the office of the County Recorder in which the Properties are located; said Notice of Assessment must recite a good and sufficient legal description of any such Lot, the record owner or reputed Owner thereof, the amount claimed (which may, at the Association's option, include interest on the unpaid assessment at twelve percent (12%) per annum plus reasonable attorney's fees and expenses of collection in connection with the debt secured by said lien) and the name and address of the claimant. Such Notice of Assessment shall be signed and acknowledged by an officer of the Association and said lien shall be prior to any Declaration of Homestead recorded after the date on which this Declaration is recorded. The lien shall continue until fully paid or otherwise satisfied.

Section 3. Foreclosure Sale. Any such sale provided for above may be conducted by the Board of Directors, its attorneys or other persons authorized by the Board in accordance with the provisions of Utah Code Annotated applicable to the exercise of powers of sale in mortgages and deeds of trust, or in any other manner permitted by law. The Association, through duly authorized agents, shall have the power to bid on the Lot at foreclosure sale and to acquire and hold, lease, mortgage and convey the same.

Section 4. Curing of Default. Upon the timely curing of any default for which a Notice of Assessment was filed by the Association, the officers thereof shall record an appropriate Release of Lien, upon payment by the defaulting Owner of a fee, to be determined by the Association, but not to exceed FIFTY (\$50.00) DOLLARS to cover the cost of preparing and recording such release. A certificate executed and acknowledged by any two (2) members of the Board stating the indebtedness secured by the liens upon any Lot created hereunder shall be conclusive upon the Association and the Owners as to the amount of such indebtedness as of the date of the certificate, in favor of all persons who rely thereon in good faith. Such certificate shall be furnished to any Owner upon request at a reasonable fee, not to exceed TEN (\$10.00) DOLLARS.

Section 5. Cumulative Remedies. The assessment liens and the rights to foreclosure and sale thereunder shall be in addition to and not in substitution for all other rights and remedies which the Association and its assigns may have hereunder and by law, including a suit to recover a money judgment for unpaid assessments, as above provided.

Section 6. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage (meaning any recorded mortgage with first priority or seniority over mortgages) made in good faith and for value and recorded prior to the date on which the assessment came due. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any

Lot pursuant to mortgage foreclosure or deed in lieu thereof, shall extinguish the lien of such assessments as to installments which became due prior to such sale or transfer. However, no sale or transfer shall relieve such Lot from liability for any installments of assessments thereafter becoming due or from the lien thereof.

ARTICLE VIII

Architectural Control

Section 1. Members of Committee. The Architectural Committee, sometimes referred to in this Declaration as the "Committee" shall consist of three (3) members. The initial members of the Committee shall consist of representatives of Declarant. Each of said persons shall hold office until the election of the first Board of Directors by the membership of the Association. Thereafter, new members of the Committee shall be appointed by the Board of Directors and shall hold office until such time as he has resigned or has been removed or his successor has been appointed, as provided herein. Members of the Committee may be removed at any time without cause. The Board of Directors shall have the right to appoint and remove all members of the Committee.

Section 2. Review of Proposed Construction. Subject to Article X, Section 15 of this Declaration, no building, fence, wall, patio cover or other structure shall be commenced, painted, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design and color and location in relation to surrounding structures and topography by the Architectural Committee. The Committee shall approve proposals or plans and specifications submitted for its approval only if it deems that the construction, alternations or additions contemplated thereby in the locations indicated will not be detrimental to the appearance of the surrounding area of the Properties as a whole; that the appearance of any structure affected thereby will be in harmony with the surrounding structures, and that the upkeep and maintenance thereof will not become a burden on the Association. The Committee may condition its approval of proposals or plans and specifications on such changes therein as it deems appropriate, upon the agreement by the Owner submitting the same to grant appropriate easements to the Association for the cost of maintenance, or all three, and may require submission of additional plans and specifications or other information prior to approving or disapproving material submitted. The Committee may also issue rules or guide lines setting forth procedures for the submission of plans for approval, requiring a fee payable to the Association to accompany each application for approval, or additional factors

which it will take into consideration in reviewing submissions. The Committee may provide that the amount of such fee shall be uniform, or that it be determined in any other reasonable manner, such as by the reasonable cost of the construction, alternations or additions contemplated. The Committee may require such detail in plans and specifications submitted for its review as it deems necessary and proper, including, without limitation, floor plans, site plans, drainage plans, elevation drawings and description or samples of exterior materials and colors. Until receipt by the Committee of any required plans and specifications, the Committee may postpone review of any plans submitted for approval.

Section 3. Meetings of the Committee. The Committee shall meet, from time to time, as necessary to perform its duties hereunder and shall complete its review and report of proposed construction within thirty (30) days after submittal of a request. The Committee may, from time to time, by resolution, unanimously adopted in writing, designate a Committee Representative who may, but need not, be one of its members) to take any action or perform any duties for and on behalf of the Committee, except the granting of variances pursuant to Section 8 hereof. In the absence of such designation, the vote of any two (2) members of the Committee taken without a meeting shall constitute an act of the Committee.

Section 4. No Waiver of Future Approvals. The approval of the Committee to any proposals or plans and specifications or drawings for any work done or proposed or in connection with any other matter requiring the approval and consent of the Committee shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings or matter whatever subsequently or additionally submitted for approval or consent.

Section 5. Compensation of Members. The members of the Committee shall receive no compensation for services rendered, other than reimbursement for expenses incurred by them in the performance of their duties hereunder.

Section 6. Inspection of Work. Inspection of work and correcting of defects therein shall proceed as follows:

(a) Upon the completion of any work for which approved plans are required under this Article VIII, the Owner shall give written notice of completion to the Committee.

(b) Within sixty (60) days thereafter, the Committee, or its duly authorized representative, may inspect such improvement. If the Committee finds that such work was not done in substantial compliance with the approved plans, it shall notify the Owner, in writing, of such non-compliance within such sixty (60) day period, specifying the particulars of non-compliance and shall require the Owner to remedy the same.

(c) If, upon the expiration of thirty (30) days from the date of such notification the Owner shall have failed to remedy such non-compliance, the Committee shall notify the Board, in writing, of such failure. Upon notice and hearing, the Board shall determine whether there is a non-compliance and if so, the nature thereof and the estimated cost of correcting or removing the same. If a non-compliance exists, the Owner shall remedy or remove the same within a period of not more than forty-five (45) days from the date of announcement of the Board ruling. The Board, at its option, may either remove the non-complying improvement or remedy the non-compliance and the Owner shall reimburse the Association, upon demand, for all expenses incurred in connection therewith. If such expenses are not promptly repaid by the owner to the Association, the Board shall levy a Special Assessment against such owner for reimbursement.

(d) If, for any reason the Committee fails to notify the Owner of any non-compliance within sixty (60) days after receipt of the said written notice of completion from the Owner, the improvement shall be deemed to be in accordance with said approved plans.

Section 7. Non-Liability of Committee Members.

Neither the Committee nor any member thereof, nor its duly authorized Committee representative shall be liable to the Association, or to any Owner for any loss, damage or injury arising out of or in any way connected with the performance of the Committee's duties hereunder, unless due to the wilful misconduct or bad faith of the Committee. The Committee shall review and approve or disapprove all plans submitted to it for any proposed improvement, alteration or addition, solely on the basis of aesthetic considerations and the overall benefit or detriment which would result to the immediate vicinity and the Properties generally. The Committee shall take into consideration the aesthetic aspects of the architectural designs, placement of buildings, landscaping, color schemes, exterior finishes and materials and similar features, but shall not be responsible for reviewing nor shall its approval of any plans or designs be deemed approval of any plans or designs from the standpoint of structural safety or conformance with buildings or other codes.

Section 8. Variance. The committee may authorize variances from compliance with any of the architectural provisions of this Declaration, including restrictions upon height, size, floor area or placement of structures, or similar restrictions, when circumstances such as topography, natural obstructions, hardship, aesthetic or environmental consideration may require. Such variances must be evidenced in writing and must be signed by at least two (2) members of the local governmental Board of Adjustment. If such variances are granted, no violation of the covenants, conditions and restrictions contained in this Declaration or any Supplemental Declaration shall be deemed to have

occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not operate to waive any of the terms and provisions of this Declaration for any purpose except as to the particular property and particular provisions hereof covered by the variance, nor shall it affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting his use of the premises, including but not limited to, zoning ordinances and lot set back lines or requirements imposed by any governmental or municipal authority.

Section 9. Floor Area and Height Restrictions. All single family residences constructed or reconstructed within the Properties shall be comparable with and in harmony with existing dwellings on the Properties as to floor area, height, materials, external design and color, and location in relation to surrounding structures and topography. No single family residence shall exceed two (2) stories in height, as measured from curbside, and all must have a private garage for not more than three (3) vehicles and not less than two (2) vehicles. Garages must be fully enclosed and carports shall not be permitted. A second floor, as measured from curbside, shall not be permitted for those single family residences on Lots 5 through 11 of Old Mill Point Subdivision.

Section 10. Roofing Material. The exterior of all roofs of single family residences constructed within the Properties shall be of tile, wood, wood composite material or architectural grade asphalt shingles with a minimum of a 25 year warranty. All single family residences shall have "hip" or "gabled" roofs; flat, graveled or built up roofs shall not be permitted.

Section 11. Building Exteriors. The exteriors of all buildings constructed within the Properties must be constructed with brick, stone or stucco. Aluminum shall not be permitted except for soffit and fascia.

ARTICLE IX

Maintenance and Repair Obligations

Section 1. Lot Areas. No improvement, excavation, or work which in any way alters the Lot Areas from their natural or existing state on the date any such area is conveyed by Declarants to a purchaser of a Lot shall be made or done by any person other than the Association or its authorized agents.

Section 2. Maintenance Obligations of Owners. Subject only to the duty of the Association to provide for maintenance as provided in Article IX, Section 3 of this Declaration, it shall be the duty of each owner, at his sole cost and expense, subject to the provisions of this Declaration regarding Architectural Committee approval, to maintain, repair, replace and restore areas subject to his exclusive control, in a

neat, sanitary and attractive condition. Areas subject to the exclusive control of the Owner shall be deemed to include, but not be limited to the interiors and exteriors of the dwelling unit and the appurtenant patios and fences and utility laterals. In the event that any Owner shall permit any improvement which is the responsibility of such owner to maintain, to fall into disrepair or not to be so maintained so as to create a dangerous, unsafe, unsightly or unattractive condition, or to otherwise violate this Declaration, the Architectural committee shall have the right, but not the duty, upon fifteen (15) days prior written notice to the owner of such Lot to correct such condition and to enter upon such owner's Lot to make such repairs or to perform such maintenance and the cost thereof shall be charged to the Owner. Said cost shall be a Special Assessment and shall create a lien enforceable in the same manner as other assessments as set forth in this Declaration. The Owner shall promptly pay all amounts due for such work and the costs and expenses of collection may be added, at the option of the Board of Directors, to the amounts payable by each Owner as Common Assessments.

Section 3. Maintenance Obligation of Association. Subject to the provisions of Section 2 of this Article, the Association shall maintain or provide for the maintenance of all Common Areas and all improvements thereon, in good order and repair and shall likewise provide for the painting and minor repair and replacement as necessary of common utilities and structures. In addition to utility maintenance, the Association shall provide all necessary landscaping and gardening to properly maintain and periodically replace, when necessary, the trees, plants, grass and other vegetation which is on the Common Area at the time that it is conveyed to the Association. The Association shall further maintain, reconstruct, replace and refinish any paved surface in the Common Area. All of the foregoing obligations of the Association shall be discharged when and in such manner as the Board of Directors of the Association shall determine in their judgment to be appropriate.

Section 4. Damage and Destruction Affecting Residences -- Duty to Rebuild. If all of or any portion of any Lot or dwelling unit is damaged or destroyed by fire or other casualty, it shall be the duty of the Owner of said Lot or dwelling unit to rebuild, repair or reconstruct said residence in a manner which will restore it substantially to its appearance and condition immediately prior to the casualty.

Section 5. Variance in Exterior Appearance and Design. Any Owner who has suffered damage may apply for approval to the Architectural Committee for construction, rebuilding or repair of his residence in a manner which will provide for an exterior appearance and design different from that which existed prior to the date of the casualty. Application for such approval shall be made in writing, together with full and complete plans and

specifications, working drawings and elevations showing the proposed reconstructions and the end result thereof. The Architectural Committee shall grant such approval only if the design proposed by the Owner should result in a finished residence as in harmony with exterior design of other residences on the Properties. Failure of the Architectural Committee to act within thirty (30) days after receipt of such a request in writing coupled with the drawings and plot plans showing the full and complete nature of the proposed changes, shall constitute approval thereof. If the obligation for repair falls upon the Association, Architectural Committee approval will not be required prior to the commencement of such work.

Section 6. Time Limitation. The Owner or Owners of any damaged residence, the Association and the Architectural Committee shall be obligated to proceed with all due diligence hereunder and the responsible party shall commence reconstruction within six (6) months after the damage occurs and complete reconstruction within one (1) year after damage occurs, unless prevented by causes beyond their reasonable control.

ARTICLE X

Use Restrictions

All real property within the Properties shall be held, used and enjoyed subject to the following limitations and restrictions, subject to the exemption of Declarant in Section 15 hereof:

Section 1. Single Family Residence. Subject to Section 3 of this Article X, each Lot shall be used as a residence for a single family residence and for no other purpose.

Section 2. Business or Commercial Activity. Subject to Section 3 of this Article X, no part of the properties shall ever be used or caused to be used or allowed or authorized, in any way, directly or indirectly, for any business, commercial, manufacturing, mercantile, storing, vending or other such non-residential purposes; except Declarant, its successors or assigns, may use any portion of the Properties for a model home site and display and sales office during the construction and sales period in accordance with Article II, Section 1(f) of this Declaration, and excepting professional and administrative occupations without external evidence thereof, for so long as such occupations are in conformance with local ordinances and are merely incidental to the use of the dwelling unit as a residential home.

Section 3. Real Estate Business. No dwelling unit, lot, improvement or portion of the Common Area shall be used in the conduct of any real estate business, gainful occupation, profession, trade office or other non-residential activity;

PROVIDED, HOWEVER, as to any Lots owned by Declarants, Declarants shall have the unrestricted right to maintain model homes thereon for sales purposes.

Section 4. Nuisances. No noxious or offensive activity (including but not limited to the repair of motor vehicles) shall be carried on, in or upon any Lot or the Common Area nor shall anything be done therein which may be or become an unreasonable annoyance or a nuisance to any other Owner. No loud noises or noxious odors shall be permitted on the Properties and the Board of Directors shall have the right to determine, in accordance with the Bylaws, if any noise, odor or activity producing such noise, odor or interference constitutes a nuisance. Without limiting the generality of any of the foregoing provisions, no exterior horns, whistles, bells or other sound devices (other than security devices used exclusively for security purposes), noisy or smokey vehicles, large power equipment or other items which may unreasonably interfere with television or radio reception of any Owner in the Properties, shall be located, used or placed on any portion of the Properties, or exposed to the view of other Owners without the prior written approval of the Architectural Committee.

Section 5. Signs. No sign, poster, display, billboard or other advertising device of any kind shall be displayed to the public view on any portion of the Properties or any Lot, without the prior written consent of the Architectural Committee, except small for sale signs placed at the entrance gate to the Properties and signs, regardless of size, used by Declarant, its successors or assigns, to advertise the Properties during construction and sales periods. All signs or billboards and the condition promulgated for the regulation thereof shall conform to the requirements of city and county ordinances.

Section 6. Parking and Vehicular Restrictions. No Owner of a Lot shall park, store or keep any vehicle except temporarily within the parking area designated therefor pursuant to Article II, Section 3. As used herein, "temporarily" shall not include overnight parking except in the case of a guest or invitee, and, in no event, shall "temporarily" exceed twenty-four (24) hours in any seven (7) day period. Any inoperable or unlicensed vehicles shall be stored only in garages. No commercial vehicles, school buses, trucks with more than six (6) tires and trucks heavier than one (1) ton, shall be parked or stored on any Lot or street, except during the initial construction period or temporarily during deliveries. No recreational vehicles (camper unit, motor home, truck, trailer, boat, mobile home, ATV, snowmobile or other similar vehicle) shall be parked or stored on any Lot or street for more than twenty-four (24) hours in any seven (7) day period, unless stored or parked within a garage and not visible from anywhere in the Properties. The above excludes small trucks up to

and including one (1) ton when used for every day type transportation, which may be parked in a driveway or garage and subject to the approval by the Board of Directors. No Owner of a Lot shall conduct major repairs or major restoration of any motor vehicle, boat, trailer, aircraft or other vehicle upon any portion of any Lot or upon the Common Area. The Association is hereby authorized and empowered to tow away offending vehicles at the Owner's expense.

Section 7. Animal Restrictions. No animals, livestock, reptiles or poultry of any kind shall be raised, bred or kept on any Lot or the Common Area, except small to medium sized dogs, cats, fish, birds and other household pets may be kept on Lots, subject to rules and regulations adopted by the Association, provided that they are not kept, bred or maintained for commercial purposes or in unreasonable quantities. As used in this Declaration, "unreasonable quantities" shall mean more than one (1) dog and/or more than one (1) cat per household. The Association, acting through the Board of Directors, shall have the right to prohibit maintenance of any animal which constitutes, in the opinion of the Board, a nuisance to any other Owner. Animals belonging to Owners, occupants or their licensees, tenants or invitees within the Properties must be either kept within a fenced yard or on a leash being held by a person capable of controlling the animal. The fenced yard must be so maintained that the animal cannot escape therefrom and shall be subject to the approval of the Architectural Committee. No dog runs shall be permitted. Should any animal belonging to an Owner be found unattended out of the fenced yard and not being held on a leash by a person capable of controlling the animal, such animal may be removed by Declarant (for so long as it owns any interest in the Properties) or a person designated by Declarant to do so, to a pound under the jurisdiction of the local municipality in which the Properties are situated and subject to the laws and rules governing said pound, or to a comparable animal shelter. Furthermore, any owner shall be absolutely liable to each and all remaining Owners, their families, guests, tenants and invitees, for any unreasonable noise or damage to person or property caused by any animals brought or kept upon the Properties by an Owner or by members of his family, his tenants or his guests; and it shall be the absolute duty and responsibility of each such owner to clean up after such animal which have used any portion of the Common Area.

Section 8. Trash. No rubbish, trash, garbage or other waste material shall be kept or permitted upon any Lot or Common Area, except in sanitary containers located in appropriate areas screened and concealed from view, and no odor shall be permitted to arise therefrom so as to render the Properties or any portion thereof unsanitary, unsightly, offensive or detrimental to any other property in the vicinity thereof or to its occupants. There shall be no exterior fires whatsoever except barbecue fires contained within receptacles therefor and fire pits in the patios

designed in such a manner that they do not create a fire hazard. No clothing or household fabrics shall be hung, dried or aired in such a way in the Properties as to be visible to other property and no lumber, grass, shrub or tree clippings or plant waste, metals, bulk material or scrap or refuse or trash shall be kept, stored or allowed to accumulate on any portion of the Properties.

Section 9. View Obstructions. No fence, hedge, wall or other dividing instrumentality over six (6) feet in height measured from the ground on which it stands shall be constructed or maintained on any Lot, except that Declarants may vary or exceed said height or location of any fence in accordance with its architectural plans. Each Owner, by accepting a deed to a Lot, hereby acknowledges that any construction by Declarants may impair the view of such Owner and hereby consents to such impairment. No chain link or wood fences shall be allowed. No fences, of any kind or height, shall be allowed in the front yard of any residence on the Properties. Basketball hoops, either temporary or permanent, shall not be allowed in the Common Area or in the front yard of any residence on the Properties unless provided, installed and maintained by the Association for the benefit of all Members.

Section 10. Air Conditioning and Ventilation. Neither window-mounted air conditioning units nor evaporative coolers shall be allowed.

Section 11. Solar Equipment. Solar panels are to be integrated into roof design. Panels and frames must be copper or compatible with roof colors and all solar equipment must be screened from view.

Section 12. Landscaping. The front, rear and side yards of each Lot shall be planted in lawn or other acceptable landscaping so as not to negatively impact the aesthetics of the Properties. Trees, lawns, shrubs or other plantings shall be properly nurtured and maintained or replaced by the Owner. All trees and shrubs planted by an Owner other than the Declarant must be approved in advance by the Architectural Committee. Provided, however, no Aspen, Cottonwood or Sumac trees shall be allowed.

Section 13. Temporary Buildings. No outbuilding, basement, tent, shack, shed or other temporary building or improvement of any kind shall be placed upon any portion of the Properties either temporarily or permanently. No garage, trailer, camper, motor home or recreational vehicle shall be used as a residence in the Properties, either temporarily or permanently.

Section 14. Common Area Facilities. Nothing shall be altered or constructed in or removed from the Common Area except upon written consent of the Association.

Section 15. Declarant's Exemption. Declarant or its

successors or assigns will undertake the work of developing and selling all of the Lots included within the Properties. The completion of the work, and sale of said Lots is essential to the establishment and welfare of said property as a residential community. As used in this Section and its subparagraphs, the words "its successors or assigns" specifically do not include purchasers of Lots improved with completed dwelling units. In order that said work may be completed and the Properties be established as a fully occupied residential community as rapidly as possible, no Owner nor the Association shall do anything to interfere with and nothing in this Declaration shall be understood or construed to:

(a) Prevent Declarant, its successors or assigns, or its or their contractors or subcontractors, from doing, on any Lot owned by them, whatever they determine to be necessary or advisable in connection with the completion of said work, including, without limitation, the alternation of its construction plans and designs as Declarant deems advisable in the course of development; or

(b) Prevent Declarant, its successors or assigns, or its or their representatives, from erecting, constructing and maintaining on any Lot or portion thereof, owned or controlled by Declarant or its successors or assigns or its or their representatives or their contractors or subcontractors, such structures as may be reasonably necessary for the conduct of its or their business of completing said work and establishing the Properties as a residential community and disposing of the same in Lots by sale, lease or otherwise; or

(c) Prevent Declarant, its successors or assigns, or its or their contractors or subcontractors, from conducting on any Lot or any portion thereof, owned or controlled by Declarant, or its successors or assigns, its or their business of developing, subdividing, grading and constructing dwelling units and other improvements in the Properties as a residential community and of disposing of dwelling units thereon by sale, lease or otherwise; or

(d) Prevent Declarant, its successors or assigns, or its or their contractors or subcontractors, from maintaining such sign or signs on any Lot owned or controlled by any of them as may be necessary in connection with the sale, lease or other marketing of Lots and dwelling units in the Properties, or Common Area; or

(e) Prevent Declarant, at any time prior to acquisition of title to a Lot in a subdivision by a purchaser from Declarant, to establish on that subdivision additional licenses, reservations and rights-of-way to itself, to utility companies or to others as may, from time to time, be reasonably necessary to the proper development and disposal of the Properties.

Section 16. Antennas. All antennas are restricted to the attic or interior of the Dwelling Unit. Provided, however, satellite dish antennas shall be allowed if screened from view and their location is approved by the Architectural Committee. Satellite dish antennas shall not be permitted on front or side yards nor shall they be permitted on roofs.

Section 17. Insurance Rates. Nothing shall be done or kept in the Properties which will increase the rate of insurance on any property insured by the Association without the approval of the Board nor shall anything be done or kept in the Properties which would result in the cancellation of insurance on any property insured by the Association or which would be in violation of any law.

Section 18. Further Subdivision. No Owner shall further partition or subdivide his Lot; provided, however, that this provision shall not be construed to limit the right of an Owner to: (1) rent or lease all or any portion of his Lot by means of a written lease or rental agreement subject to the restrictions of this Declaration, so long as the Lot is not leased for transient or hotel purposes; (2) sell his Lot; or (3) transfer or sell any lot to more than one person to be held by them as tenants in common, or as joint tenants. The terms of any such lease or rental agreement shall be subject, in all respects, to the provisions of this Declaration and Bylaws of the Association and any failure by the Lessee of such Lot to comply with the terms of this Declaration or the Bylaws of the Association shall constitute a default under the lease.

Section 19. Drainage. There shall be no interference with the established drainage pattern over any subdivision within the Properties, unless an adequate alternative provision is made for proper drainage and is first approved in writing by the Architectural Committee. For purposes hereof, "established" drainage is defined as the drainage which exists at the time the overall grading of any subdivision is completed by Declarant or that which is shown on any plans approved by the Architectural Committee which may include drainage from the Common Area over any Lot or Lots in the Properties.

Section 20. Water Supply Systems. No individual water supply or sewer disposal system shall be permitted on any Lot in the Properties unless such system is designed, located, constructed and equipped in accordance with the requirements, standards and recommendations of the Salt Lake County Health Department, the Architectural Committee and all other applicable governmental authorities.

ARTICLE XI

Party Fences

Section 1. General Rules of Law to Apply to Party Fences. The Owners shall be at liberty to build fences, by agreement among themselves, on the Lot line between adjoining Lots, with the prior approval of the Architectural Committee. These fences shall be called "Party Fences" and shall be subject to this Article XI, the general rules of law regarding Party Fences and liability for property damage due to negligence or wilful acts or omissions shall apply thereto. The Owner of each Lot adjoining a Party Fence shall be an "Owner" of the fence for purposes of this Article. Provided, however, nothing herein shall prevent an Owner, with the prior approval of the Architectural Committee, from building a fence within his Lot line.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a Party Fence shall be shared by the Owners in proportion to their ownership thereof.

Section 3. Destruction by Fire or Other Casualty. If a Party fence is destroyed or damaged by fire or other casualty, any Owner thereof may restore it and the other Owners thereof shall contribute to the cost of restoration thereof in proportion to such ownership without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or wilful acts or omissions.

Section 4. Right to Contribution Runs with Land. The right of any owner to contribution from any other Owner under this Article XI shall be appurtenant to the land and shall pass to such Owner's successors-in-interest.

ARTICLE XII

Damage or Destruction to Common Area

Damage to or destruction of all or any portion of the Common Area shall be handled in the following manner, notwithstanding any provision in this Declaration to the contrary:

(a) In the event of damage or destruction to the Common Area, and the insurance proceeds are sufficient to effect total restoration, then the Association shall cause such Common Area to be repaired and reconstructed substantially as it previously existed.

(b) If the insurance proceeds are within TEN THOUSAND (\$10,000.00) DOLLARS or less of being sufficient to effect total restoration, then the Association shall cause such Common Area to be repaired and reconstructed substantially as it previously existed and the difference between the insurance proceeds and the actual costs shall be levied as a Reconstruction Assessment equally

against each of the Lot Owners, in accordance with the provisions of Article VI, Section 5 of this Declaration.

(c) If the insurance proceeds are insufficient by more than TEN THOUSAND (\$10,000.00) DOLLARS to effect total restoration to the Common Area, then by written consent or vote of a majority of the owners, they shall determine whether: (1) to rebuild and restore in substantially the same manner as the improvements existed prior to damage and to raise the necessary funds over the insurance proceeds by levying equal Reconstruction Assessments against all Lots; (2) to rebuild and restore in a way which utilizes all available insurance proceeds and an additional amount not in excess of TEN THOUSAND (\$10,000.00) DOLLARS and which is assessable equally to all Owners but which is less expensive than replacing these improvements in substantially the same manner as they existing prior to being damaged, or (3) subject to the provisions of Article XIV, to not rebuild and to distribute the available insurance proceeds equally to the Owners and Mortgagees of the Lots as their respective interests may appear.

(d) Each Owner shall be liable to the Association for any damage to the Common Area not fully covered by insurance which may be sustained by reason of the negligence or wilful misconduct of said Owner or of his family and guests, both minor and adult. Notwithstanding the foregoing, the Association reserves the right to charge a Special Assessment equal to the increase, if any, in the insurance premium directly attributable to the damage caused by such owner. In the case of joint ownership of a Lot, the liability of such Owners shall be joint and several, except to the extent that the Association has previously contracted in writing with such joint Owners to the contrary. The cost of correcting such damage shall be a Special Assessment against the Lot and may be collected as provided herein for the collection of Common Assessments.

ARTICLE XIII

Insurance

Section 1. Common Area. The Association may keep all improvements and all fixtures of the Common Area insured against loss or damage by fire for the full insurance replacement costs thereof and may obtain insurance against such other hazards and casualties as the Association may deem desirable. The Association may also insure any other property whether real or personal, owned by the Association, against loss or damage by fire and such other hazards as the Association may deem desirable, with the Association as the owner and beneficiary of such insurance. The insurance coverage with respect to the Common Area shall be written in the name of and proceeds shall be payable to the Association. Insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried. Premiums for all insurance carried by the Association are Common

Expenses included in the Common Assessments made by the Association.

Section 2. Insurance Obligations. Each Owner shall be responsible for obtaining and maintaining insurance against loss of or damage to his dwelling by fire or by any other casualty, under the standard form of extended endorsement and broad form now in use in the State of Utah or under such other insurance as may be required by any Mortgagee of the residence. All such insurance shall be for the full replacement value of the dwelling unit. Each Owner shall also be responsible for obtaining and maintaining adequate insurance on the contents of the dwelling.

Section 3. Replacement or Repair of Property. In the event of damage to or destruction of any part of the Common Area facilities, the Association shall repair or replace the same from the insurance proceeds available, subject to the provisions of Article XII of this Declaration. If such insurance proceeds are insufficient to cover the costs of such repair or replacement of the property damaged or destroyed, the Association may make a Reconstruction Assessment against all Lot Owners to cover the additional cost of repair or replacement not covered by the insurance proceeds, in addition to any other Common Assessments made against such Lot Owner in accordance with the provisions of Article VI, Section 5 of this Declaration.

Section 4. Waiver of Subrogation. As to each policy of insurance maintained by the Association, which will not be voided or impaired thereby, the Association hereby waives and releases all claims against the Board, the Owner, the Manager, Declarant and the agents and employees of each of the foregoing with respect to any loss covered by such insurance, whether or not caused by negligence or of breach of any agreement by said persons, but only to the extent that insurance proceeds are received in compensation for such loss.

Section 5. Liability Insurance. The Association shall obtain comprehensive public liability insurance, including medical payments, liquor liability insurance and malicious mischief, in the amount of \$1,000,000.00 per occurrence for personal injury and/or property damage arising from the activities of the Association or with respect to property under its jurisdiction, including, if obtainable, a cross-liability endorsement insuring each insured against liability to each other. Such insurance shall contain a "severability of interest" clause or endorsement which shall preclude the insurer from denying the claim of a Lot Owner because of negligent acts of the Association or other Lot Owners.

Section 6. Fidelity Coverage. The Association shall obtain fidelity coverage against dishonest acts on the part of directors, managers, trustees, employees or volunteers responsible for handling funds collected and held for the benefit of the Lot

Owners. The fidelity bond or insurance must name the Association as the named insured and shall be written in an amount sufficient to provide protection which is in no event less than one and one-half (1-1/2) times the insured's estimated annual operating expenses and reserves. In connection with such coverage, an appropriate endorsement to the policy to cover any persons who serve without compensation shall be added if the policy would not otherwise cover volunteers.

Section 7. Other Insurance and General. The Association may also obtain, through the Board of Directors, Workman's Compensation Insurance and other liability insurance as it deems desirable, insuring each Lot Owner and the Association, Board of Directors and Manager from liability in connection with the Common Area and the premiums for which are Common Expenses included in the Common Assessments made against the Owners. Such insurance policies shall have severability of interest clauses or endorsements which shall preclude the insurer from denying the claim of a Lot Owner because of the negligent acts of the Association or other dwelling unit Owners.

All policies shall be reviewed at least annually by the Board of Directors and the limits increased at its discretion.

Notwithstanding any other provision herein, the Association shall continuously maintain in effect such casualty, flood and liability and bonds and other insurance meeting the requirements for cluster subdivisions established by the Federal National Mortgage Association (FNMA), the Government National Mortgage Association (GNMA), and the Federal Home Loan Mortgage Corporation (FHLMC), so long as there are any mortgages on any of the Properties.

ARTICLE XIV

Mortgage Protection Clause

Notwithstanding any and all provision hereof to the contrary, in order to induce the Federal Home Loan Mortgage Corporation (FHLMC), the Government National Mortgage Association (GNMA) and the Federal National Mortgage Association (FNMA) to participate in the financing of the sale of Lots within the Properties, the following provisions are added hereto (and to the extent these added provisions conflict with any other provision of the Declaration, these added provisions shall control):

(a) Each first Mortgagee of a mortgage encumbering any Lot, at its written request, is entitled to written notification from the Association of any default by the mortgagor of such Lot in the performance of such mortgagor's obligations under this Declaration, the Articles of Incorporation of the Association or

the Bylaws of the Association, which default is not cured within thirty (30) days after the Association learns of such default;

(b) Any "right of first refusal" contained in this Declaration shall not impair the rights of first Mortgagees to:

(1) foreclose or take title to a Lot pursuant to the remedies provided in the Mortgage or,

(2) accept a deed (or assignment) in lieu of foreclosure in the event of default by a Mortgagor, or

(3) interfere with a subsequent sale or lease of the Lot so acquired by the Mortgagee.

(c) Any first Mortgagee who obtains title to a Lot pursuant to the remedies provided in the mortgage or foreclosure of the mortgage will not be liable for such Lot's unpaid dues or charges which accrue prior to the acquisition of title to such Lot by the Mortgagee.

(d) Unless at least two-thirds (2/3rds) of the first Mortgagees (based upon one vote for each first mortgage owned) and owners (other than Declarant) of the individual Lots in the Properties have given their prior written approval, the Association or Owners shall not be entitled to:

(1) by act or omission seek to abandon, partition, encumber, sell or transfer the common property owned directly or indirectly owned by the Association. (The granting of easements for public utilities or for other public purposes consistent with the intended use of such property by the Association shall not be deemed a transfer within the meaning of this clause;

(2) change the method of determining the obligations, assessments, due or other charges which may be levied against a Lot Owner;

(3) by act or omission change, waive or abandon any scheme of regulations or enforcement thereof, pertaining to the architectural design of the exterior appearance of the dwelling units, the maintenance of common property or common fences or the upkeep of laws and plantings in the Properties;

(4) use hazard insurance proceeds for losses to any Common Area property for other than the repair, replacement or reconstruction of such improvement.

(e) First Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become

a charge against any Common Area property and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage on the lapse of a policy, for such common property and first Mortgagees making such payments shall be owed immediate reimbursement therefor from the Association or Owners. Entitlement to such reimbursement is reflected in an agreement in favor of all first Mortgagees of Lots by the Association duly executed by the Association and Owners.

(f) First Mortgagees, pursuant to their mortgages, shall have priority over Lot Owners in case of a distribution of insurance proceeds or condemnation awards for losses to or taking of Common Area property.

(g) First Mortgagees shall have the right to examine the books and records of the Association during normal business hours.

(h) All first Mortgagees shall be given: (1) thirty (30) days written notice prior to the effective date of any proposed material amendment to this Declaration or the Articles of Incorporation or Bylaws of the Association and prior to the effective date of any termination of an agreement for professional management of the Properties following a decision of the Owners to assume self-management of the Properties; and (2) immediate notice following any damage to the Common Area whenever the cost of reconstruction exceeds TEN THOUSAND (\$10,000.00) DOLLARS and as soon as the Board learns of any threatened condemnation proceedings or proposed acquisition of any portion of the Properties.

(i) The Association dues or charges shall include an adequate reserve fund for maintenance, repairs and replacement of those elements of the common property that must be replaced on a periodic basis and are payable in regular installments rather than by special assessments.

(j) All first Mortgagees, upon request, are entitled to written notification from the Association of any default in the performance by the individual Lot borrowers of any obligation under the Declaration, Articles of Incorporation or Bylaws which is not cured within sixty (60) days.

(k) Any agreement for professional management of the Properties or any other contract providing for services of the Declarants may not exceed three (3) years; any such agreement must provide for termination by either party without cause and without payment of a termination fee on ninety (90) days or less of written notice.

In addition to the foregoing, the Board of Directors may enter into such contracts or agreements on behalf of the Association as are required in order to satisfy the guidelines of

the VA, the FHA, the FHLMC, the FNMA or the GNMA or any similar entity so as to allow for the purchase, insurance or guaranty, as the case may be, by such entities of first Mortgages encumbering Lots with dwelling units thereon. Each Owner hereby agrees that it will benefit the Association and the membership of the Association, as a class of potential mortgage borrowers and potential sellers of their dwelling units if such agencies approve the Properties as a qualifying subdivision under their respective policies, rules and regulations, as adopted from time to time.

Neither this Declaration nor the Articles of Incorporation nor the Bylaws of the Association will be amended in such a manner that the rights of any first Mortgagee will be adversely affected.

ARTICLE XV

General Provisions

Section 1. Enforcement. This Declaration, the Articles of Incorporation and the Bylaws may be enforced by the Association as follows:

(a) Breach of any of the covenants contained in the Declaration or the Bylaws and the continuation of any such breach may be enjoined, abated or remedied by appropriate legal proceedings by an Owner, by the Association or the successor in interest of the Association. Any judgment rendered in any action or proceeding pursuant hereto shall include a sum for attorney's fees in an amount as the Court may deem reasonable, in favor of the prevailing party, as well as the amount of any delinquent payment, interest thereon, costs of collection and Court costs.

(b) The result of every act or omission whereby any of the covenants contained in this Declaration or the Bylaws are violated in whole or in part is hereby declared to be and constitutes a nuisance, and every remedy allowed by law or equity against a nuisance, either public or private, shall be applicable against every such result and may be exercised by any Owner, by the Association or its successors in interest.

(c) The remedies herein provided for breach of the covenants contained in this Declaration or in the Bylaws shall be deemed cumulative and none of such remedies shall be deemed exclusive.

(d) The failure of the Association to enforce any of the covenants contained in this Declaration or in the Bylaws shall not constitute a waiver of the right to enforce the same thereafter.

(e) A breach of the covenants, conditions or restrictions contained in this Declaration or in the Bylaws shall not affect or impair the lien or charge of any bona fide first mortgage or Deed of Trust made in good faith and for value on any residential Lot or the improvements thereon, provided, however, that any subsequent Owner of such property shall be bound by said covenants, whether such owner's title was acquired by foreclosure in a Trustee's Sale or otherwise.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or Court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 3. Term. The covenants and restrictions of this Declaration shall run with and bind the Properties, and shall inure to the benefit of and be enforceable by the Association or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors and assigns, perpetually, so long as there are mortgages against the Properties. Thereafter, the Owners of a majority of the Lots may sign and have recorded an instrument in writing agreeing to change such covenants and restrictions, in whole or in part.

Section 4. Interpretation. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of a residential community and for the maintenance of the Common Area. The article and section headings have been inserted for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction. Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular; and the masculine, feminine and neuter shall each include the masculine, feminine and neuter.

Section 5. Amendments. Except as provided and subject to any rights of the VA or the FHA hereunder, this Declaration may be amended only by the affirmative vote or written consent of the Owners holding not less than seventy-five percent (75%) of the voting power of the Association; provided, however, that the prior written approval of at least seventy-five percent (75%) of all first mortgagees must be obtained also, before Article XIV may be amended. Notwithstanding the foregoing, prior to the sale of the first Lot in the Properties, Declarant shall have the right to terminate or modify this Declaration by recordation of a supplement hereto setting forth such termination or modification in accordance with the laws of the State of Utah and subject to Article XV, Section 6 of this Declaration. For purposes of this Declaration, the sale shall be deemed to be the date upon which a Deed conveying a Lot is recorded in the office of the Salt Lake County Recorder. Notwithstanding any other provision of this Declaration, no

amendment to this Declaration shall be effective unless such amendment be approved in writing by the local governmental authority or its delegates, whose action shall be governed by whether the Declaration, after such amendment, will continue to contain adequate provision for preservation and maintenance of vehicular and pedestrian access rights for individual property owners, all improvements and physical facilities such as landscaping, fencing, buildings, hydrants, utility facilities, parking areas, flood lights and drainage facilities consistent with the conditions of approval of the applicable tentative tract plate.

Provided, further however, this Declaration shall not be amended in such a manner that the rights of any first Mortgagee will be adversely affected.

Section 6. No Public Right or Dedication. Nothing contained in this Declaration shall be deemed to be a gift or dedication of all or any part of the Properties to the public or for any public use.

Section 7. Constructive Notice and Acceptance. Every person who owns, occupies or acquires any right, title estate or interest in or to any Lot or other portion of the Properties does and shall be conclusively deemed to have consented and agreed to every limitation, restriction, easement, reservation, condition and covenant contained herein, whether or not any reference to these restrictions is contained in the instrument by which such person acquired an interest in the Properties, or any portion thereof.

Section 8. Reservation of Easements. Reciprocal easements are hereby reserved for the benefit of adjoining Lot Owners for the control, maintenance and repair of the utilities of adjoining Lot Owners. Declarant expressly reserves, for the benefit of all of the real property in the Properties and the Owners, reciprocal easements of access, ingress and egress over all Lots and over the Common Area, for the use and enjoyment of the Lots in accordance with this Declaration, including without limitation, for installation and repair of utility services, for drainage over, across and upon adjacent lots for water resulting from the normal use of adjoining Lots, and for maintenance and repair of any dwelling. Such easements may be used by Declarant, and its successors, purchasers and all Owners, their guests, tenants and invitees, residing on or temporarily visiting the Properties, for pedestrian walkways, vehicular access and such other purposes reasonably necessary for the use and enjoyment of a Lot and the Common area. No Owner of a Lot shall interfere with the established drainage pattern over his Lot from adjoining or other Lots. Each Owner of a Lot shall make adequate provisions for drainage in the event he changes the established drainage over his Lot. For purposes of this Declaration, "established drainage" on any Lot is defined as the drainage pattern and facilities in existence at the time that such lot is conveyed to a purchaser from

Declarant. Declarant reserves the right to grant exclusive easements over certain limited portions of the Common Area, if necessary, to certain Lot Owners for yard purposes, as required by the Federal Housing Administration. Declarant further expressly reserves, for the benefit of the Association, its agents and employees, easements of access, ingress and egress over the Lots and Common Area, for the purpose of maintaining, repairing and installing sewer pipelines and laterals in accordance with the provisions of this Declaration and as otherwise provided by law.

Section 9. Maintenance of Open Space. Notwithstanding anything herein to the contrary, any modification to the open space area must be approved in advance by the local governmental jurisdiction. Under no circumstances shall the open space area and associated amenities be eliminated.

Section 10. Notices. Any notice permitted or required to be delivered as provided herein shall be in writing and may be delivered as provided either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered seventy-two (72) hours after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to any person at the address given by such person to the Association for the purpose of service of such notice or to the residence of such person if no address had been given to the Association. Such address may be changed, from time to time, by notice in writing to the Association.

Section 11. No Representation or Warranties. No representations or warranties of any kind, express or implied, have been given or made by Declarant or its agents or employees in connection with the Properties or any portion of the Properties, or any improvements thereon, its physical condition, zoning, compliance with applicable laws, fitness for intended use or in connection with the subdivision, sale, operation, maintenance, cost of maintenance, taxes or regulations thereof as a cluster subdivision, except as specifically and expressly set forth in this Declaration and except as may be filed by Declarant from time to time with the Utah Land Sales Practices Administration or the local jurisdiction.

Declarant has executed this Declaration on the day and year first above written.

OLD MILL DEVELOPERS, L.L.C.

By:

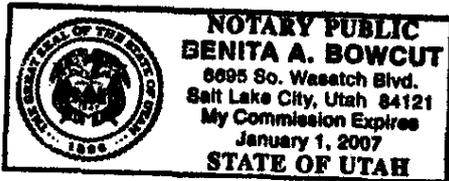

Richard D. Thorpe,
Manager

STATE OF UTAH)
 : ss.
COUNTY OF SALT)

On the 2 day of February, 2005, personally appeared before me Richard D. Thorpe, who being by me duly sworn did say that he, the said Richard D. Thorpe is the Manager of Old Mill Point, L.L.C., and that the within and foregoing instrument was signed in behalf of said limited liability company by authority of its Articles of Organization and Operating Agreement and the said Richard D. Thorpe duly acknowledged to me that the said limited liability company executed the same.

Benita A. Bowcut
Notary Public
Residing at: Salt Lake

My Commission Expires:



INDEX FOR COVENANTS, CONDITIONS AND RESTRICTIONS
AND RESERVATION OF EASEMENTS FOR
OLD MILL POINT SUBDIVISION

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BOUNDARY DESCRIPTION:

BEGINNING AT THE NORTHEAST CORNER OF LOT 12, OLD MILL LANE SUBDIVISION AS RECORDED WITH THE OFFICE OF THE SALT LAKE COUNTY RECORDER, SAID POINT BEING SOUTH 89°32'57" EAST 1030.28 FEET FROM THE CENTER OF SECTION 23, TOWNSHIP 2 SOUTH, RANGE 1 EAST, SALT LAKE BASE AND MERIDIAN, RUNNING THENCE SOUTH 13°27'00" WEST ALONG THE EAST BOUNDARY OF SAID OLD MILL LANE SUBDIVISION 693.52 FEET; THENCE S 57°14'00" E 304.34 FEET; THENCE N 57°24'00" E 112.53 FEET; THENCE SOUTH 32°36'00" EAST 141.00 FEET; THENCE EAST 230.49 FEET TO THE WEST BOUNDARY LINE OF WASATCH BOULEVARD (STATE ROAD 190); THENCE NORTHERLY ALONG SAID WEST BOUNDARY LINE THE FOLLOWING TWO (2) COURSES: NORTHERLY ALONG THE ARC OF A 1045.00 FOOT RADIUS CURVE TO THE RIGHT (CENTER BEARS NORTH 60°30'08" EAST) THROUGH A CENTRAL ANGLE OF 33°07'49", A DISTANCE OF 604.25 FEET TO A POINT OF TANGENCY, AND NORTH 03°37'57" EAST 51.12 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF A 216.00 FOOT RADIUS CURVE TO THE RIGHT (CENTER BEARS NORTH 00°59'51" EAST) THROUGH A CENTRAL ANGLE OF 101°56'42", A DISTANCE OF 384.32 FEET;; THENCE NORTH 89°32'57" WEST 158.99 FEET TO THE POINT OF BEGINNING.

CONTAINS: 342,785.86 SQUARE FEET OR 7.8693 ACRES ON 22 LOTS.

TOGETHER WITH A 50.00 FOOT PUBLIC UTILITY AND ACCESS EASEMENT DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT 18.67 FEET EAST OF THE SOUTHWEST CORNER OF LOT 1 OF OLD MILL POINT PUD; RUNNING THENCE SOUTH 15°39'33" EAST 129.54 FEET TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF 175.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 33°02'26", A DISTANCE OF 100.92 FEET TO A POINT OF REVERSE CURVATURE; THENCE ALONG THE ARC OF SAID 25.00 FOOT RADIUS CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 107°33'18", A DISTANCE OF 46.93 FEET; THENCE SOUTH 58°51'19" WEST 8.47 FEET TO THE NORTHERLY RIGHT-OF-WAY OF BIG COTTONWOOD CANYON ROAD; THENCE ALONG SAID NORTHERLY RIGHT-OF-WAY LINE THE FOLLOWING TWO COURSES: SOUTH 30°31'11" EAST 30.82 FEET TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF SAID 525.67 FOOT RADIUS CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 02°05'32" A DISTANCE OF 19.19 FEET; THENCE NORTH 58°51'19" EAST 9.36 FEET TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF SAID 75.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 107°33'18", A DISTANCE OF 140.79 FEET TO A POINT OF REVERSE CURVATURE; THENCE ALONG THE ARC OF SAID 125.00 FOOT RADIUS CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 33°02'26", A DISTANCE OF 72.08 FEET; THENCE NORTH 15°39'33" WEST 115.52 FEET; THENCE WEST 51.93 FEET TO THE POINT OF BEGINNING.