WHEN RECORDED, RETURN TO:

Patterson Homes, LLC 11038 N. Highland Blvd. Suite 100 Highland, UT 84003 ENT 20715:2025 PG 1 of 26 ANDREA ALLEN UTAH COUNTY RECORDER 2025 Mar 24 04:34 PM FEE 40.00 BY MG RECORDED FOR GT Title Services ELECTRONICALLY RECORDED

COURTESY RECORDING

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DECLARATION

OF

COVENANTS, CONDITIONS AND RESTRICTIONS FOR CARLA'S COVE SUBDIVISION

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THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (hereafter "Declaration") is made on the date evidenced below by Patterson Homes, LLC (hereafter "Declarant").

RECITALS

- A. The Declarant is the owner of certain land in Utah County, Utah, shown on the Record of Survey Map entitled "Carla's Cove Subdivision", recorded in the Recorder's Office of Utah County, State of Utah, (the Recorder's Office) as Entry Number 58874-2024 on August 29, 2024, and more particularly described in Exhibit A attached hereto and made part hereof (the "Property").
- B. It is the intention of the Declarant to develop the land subject to this Declaration as a residential planned unit development, and unto that end the Declarant has adopted, imposed and subjected the property hereinafter described to certain covenants, conditions, restrictions, charges and liens, as set forth herein for the following primary purpose of maintaining Common Areas.
 - C. The Community is not a condominium or cooperative project.

NOW, THEREFORE, the Declarant does hereby declare as follows:

ARTICLE I - DEFINITIONS

The following words when used in this Declaration (unless the context otherwise requires) shall have the following meanings:

- 1.1. "Act" shall mean the Utah Community Association Act, Utah Code, Title 57, Chapter 8a, as the same shall be amended from time to time.
- 1.2. "Assessment" means any charge imposed or levied by the Association on or against an Owner or Lot pursuant to the terms of the Governing Documents or applicable law, including (1) annual/regular assessments; (2) special assessments; and (3) individual assessments as set forth below.
- 1.3. "Association" means and refers to the Carla's Cove Homeowners Association, or any successor incorporated or unincorporated association of the Lot Owners acting under this Declaration.
- 1.4. "Board of Directors" shall mean and refer to the Board of Directors of the Association. "Director" shall mean an individual member of the Board of Directors.
- 1.5. "Bylaws" means the Bylaws of the Association (attached hereto as Exhibit B) as they may be amended from time to time.
- 1.6. "Common Area" means, refers to, and includes: (a) The real property and interests therein, excluding all Lots as defined herein, which comprise the Project; (b) All common areas and facilities designated as such elsewhere herein or on the Plat, except as otherwise stated

herein; (c) All installations for and all equipment connected with the furnishing of the Project's utility services and existing for common use, such as electricity, gas, water and sewer, except as otherwise provided herein; (d) In general, all apparatus, installations and facilities included within the Protect and existing for common use; (e) The Project's roads, excluding all Lots; (f) All other parts of the project normally in common use or necessary or convenient to its use, existence, maintenance, safety or management; (g) All common areas as defined in the Act, whether or not enumerated herein, and (h) the sewer system in the private road. Specifically excluded from the Common Area are the sewer pumps on each Lot that pump into the sewer system.

- 1.7. "Common Expenses" means expenses of administration, maintenance, repair, or replacement of the common areas and facilities and the expenses incurred by the Association in carrying out the responsibilities and duties mandated by the Governing Documents.
- 1.8. "Community" means the Project and all of the land described in attached Exhibit A, including any property annexed at any time into the Project.
- 1.9. "Declarant" means Patterson Homes, LLC, and any successor or assign thereof to whom it shall expressly (a) convey or otherwise transfer all of its right, title and interest in the Property; or (b) transfer, set over and assign all of its right, title and interest under this Declaration, or any amendment or modification thereof.
- 1.10. "Eligible Holder" shall mean any holder, insurer, or guarantor of a first Mortgage who makes a written request to the Association to receive any of the notices provided to Eligible Holders under this Declaration. The written request shall state the name and address of the Eligible Holder and the Lot number to which the Eligible Holder's mortgage interest applies.
- 1.11. "Governing Documents" shall mean and refer to a written instrument by which the Association may exercise powers or manage, maintain, or otherwise affect the property under the jurisdiction of the Association, including Articles of Incorporation, Bylaws, Plat, and this Declaration.
- 1.12. "Improvements" means every structure or improvement of any kind, including but not limited to landscaping, sprinkler pipes, Living Units, decks, porches, awnings, fences, garages, carports, accessory buildings, driveways, storage compartments or other products of construction efforts on or in respect to the Property (but does not include any exterior antenna or satellite dish, authorized in accordance with the Declaration).
- 1.13. "Include," "includes," or "including" means that the items listed are not an exclusive list, unless the word "only" or similar language is used to expressly indicate that the list is an exclusive list.
- 1.14. "Lot" means any residential lot or parcel of land upon which a Living Unit could be constructed in accordance with applicable ordinances and laws, or is already constructed, shown upon the Plat as existing for private use and ownership, including any Improvements thereon.
- 1.15. "Manager" or "Managing Agent" shall mean and refer to the person or entity retained by the Association to manage the Property according to the direction of the Board of Directors.

- 1.16. "Mortgage" means any mortgage or deed of trust encumbering any Lot and any other security interest existing by virtue of any other form of security instrument or arrangement, provided that such mortgage, deed of trust or other form of security instrument, and an instrument evidencing any such other form of security arrangement, has been recorded among the Recorder's Office.
- 1.17. "Mortgagee" means the person or entity secured by a Mortgage.
- 1.18. "Owner" means the record owner of fee simple title to any Lot, as shown in the records of the County Recorder, but does not include a tenant, contract purchaser, or holder of a leasehold interest or person holding only a security interest in a Lot.
- 1.19. "Period of Administrative Control" means the period during which the Declarant (or a successor in interest) retains authority to appoint or remove members of the Board and is the time between the date of recordation of this Declaration and the date on which administrative control of the Association is turned over to the Owners pursuant to Section 7.1 below.
- 1.20. "Plat" or "Plat Map" or "Record of Survey Map" (these terms may be used interchangeably herein) means the Record of Survey Map entitled "Carla's Cove Subdivision", recorded in the Recorder's Office of Utah County, State of Utah, (the Recorder's Office) as Entry Number 58874-2024 on August 29, 2024, as the same may be amended or substituted, together with any plat subsequently recorded for an additional phase of the Project.
- 1.21. "Property" or "Project" means all of the real property and interests within the boundaries of the project described in the Plat(s), including all Lots, Common Area, easements, and open space, excepting the Additional Lots.
- 1.22. "Turnover Meeting" means the meeting at which the Declarant turns over administrative control of the Association to the Owners pursuant to this Declaration.
- 1.23. "Unit" or "Living Unit" or "Residence" shall mean single-family residential dwelling unit constructed upon a Lot.

ARTICLE II - PROPERTY DESCRIPTION

2.1. Property Subject to the Declaration and Bylaws. The real property which is, and shall be, transferred, held, sold, conveyed, used, occupied and improved subject to the Act and to this Declaration, the Governing Documents, and all agreements, decisions and determinations made by the Board or Association is described on Exhibit A attached hereto, which Declaration and covenants, conditions and restrictions therein shall run with the land and shall be binding upon each and every party which shall at any time have any right, title or interest in or to the Property or any part thereof, their heirs, successors and assigns, and to any other person who may in any manner use the Property or any part thereof submitted to the provisions of this Declaration, and shall inure to the benefit of each Owner thereof. To the extent that the Governing Documents are or become inconsistent with the provisions of any future amendments to the Act, the Act, as amended, shall control.

- 2.2. **Description and Legal Status of Lots.** Except as otherwise stated herein, the Plat shows the Lots and building designations and the Common Areas, and their locations and dimensions from which, together with the Definitions above, those areas may be determined. All Lots are residential Lots. All Lots shall be capable of being independently owned, encumbered, and conveyed.
- 2.3. Form of Lot Conveyance Legal Description of Lot. Each conveyance or installment contract for the sale of a Lot and every other instrument affecting title to a Lot may describe that Lot by the number shown on the Record of Survey Map with appropriate reference to said Map and to this Declaration, as each shall appear on the records of the Utah County Recorder, State of Utah, and in substantially the following form:

Lot $(1-13)$, shows	n on the Record of Survey Map for Carla's Cove Subdivision, appearing in
the records of the U	Itah County Recorder as Entry No. 58874-2024 in Book 65 at Page 748,
and as identified in	the Declaration of Covenants, Conditions and Restrictions appearing as
Entry No.	of the official records of the Utah County Recorder, as may be
amended. This con	veyance is subject to the provisions of the aforementioned Declaration,
including any ame	ndments thereto.

- 2.4. *Use and Occupancy.* Except as otherwise expressly provided in this Declaration or the Bylaws, the Owner(s) of a Lot shall be entitled to the exclusive use and benefits of ownership of such Lot. Each Lot, however, shall be bound by, and the Owner shall comply with, the restrictions contained below and all other provisions of the Governing Documents of the Association for the mutual benefit of the Owners.
- 2.5. Easements and Rights Reserved. In addition to the easements and rights shown on the Plat or provided for under this Declaration, the Bylaws or law, the following easements, rights and powers are hereby reserved for the benefit of the Owners and the Association:
 - a. Right of Entry. The Association and any person authorized by the Association may at any reasonable time, and from time to time at reasonable intervals, enter upon any Lot for the purpose of: (1) determining whether the use of the Lot is causing damage or harm to the Common Areas, or (2) performing maintenance referred to herein. Requests for entry shall be made in advance and at a time that is convenient to the Owner within 30 days of the request, or at a time designated by the Association if such time is more than 30 days from the request, except in the case of an emergency, when such right shall be immediate. No such entry or actions by the Association shall be deemed to constitute a trespass or otherwise create any right of action for damage or otherwise in the Owner of such Lot.
 - b. <u>Utility Easements.</u> The Association and any public or private utility provider shall have an easement through all Lots and Common Areas for the installation, maintenance and development of utilities and drainage facilities, as may be necessary as determined by the Board. The Board may grant or create from time to time, on behalf of the Association and on such terms as it deems advisable, utility and similar easements and rights-of-way over, under, across, and through the Common Area. Within any easement, no structure, planting or other material shall be

placed or permitted to remain which may reasonably interfere with or damage utilities or drainage facilities. The easement area within each Lot and all improvements therein shall be maintained continuously by the person or entity responsible for maintenance of such Lot in accordance with the terms herein, except for those improvements for which a public authority or utility provider is responsible. Each Lot Owner shall have an easement in common with all Owners to use all pipes, wires, ducts, cables, conduits, public utility lines and other common facilities located in any of the other Lots and serving his or her Lot.

c. <u>Common Areas.</u> All Owners are hereby granted a non-exclusive right and easement of enjoyment to the Common Areas.

ARTICLE III - ASSESSMENTS

3.1 Covenant for Assessments.

- 3.1.1. <u>Covenant for Assessments.</u> Each Owner, by acceptance of a deed hereafter conveying any Lot to it, whether or not so expressed in the deed or other conveyance, shall be deemed to have covenanted and agreed to pay the Association the following types of assessments, as provided for and defined below: Annual Assessments, Special Assessments, and Individual Assessments.
- 3.1.2. <u>Installments of Annual Assessments.</u> The Board shall determine whether installments of Annual Assessments are levied and collected on a monthly, quarterly, semi-annual, annual or other basis. Any member may prepay one or more installments of any Assessment levied by the Association, without premium or penalty. No member may exempt itself from liability for Assessments by abandonment of any Lot owned by such member.
- 3.1.3. <u>Equal Share</u>. Each Lot Owner shall pay an equal share of the Annual Assessments and Special Assessments.
- 3.1.4. <u>Declarant Assessment Exemption.</u> Notwithstanding anything herein to the contrary, the Declarant, and any Lot to which the Declarant holds record title, shall be exempt from any Assessment under this Article.

3.2. Annual Budget and Assessment.

3.2.1. <u>Adoption of Budget</u>. The Board shall prepare, or cause the preparation of, an annual budget for the Association, which shall provide, without limitation, for the maintenance of the Common Areas and for the administration, management and operation of the Association. If the Board fails to adopt an annual budget, the last adopted budget shall continue in effect.

3.2.2. Determination of Annual Assessment.

(a) The Board of the Association shall fix the amount of the annual assessment ("Annual Assessment") against each Lot for each assessment period at least thirty (30) days in advance of the beginning of the period. Written notice of the Annual Assessments shall be sent to all members of the Association at least thirty (30) days in advance of the

beginning of any assessment period, or thirty (30) days in advance of any increase in the Annual Assessment that is to take effect during any assessment period.

- (b) The omission by the Board, before the expiration of any assessment period, to fix the amount of the Annual Assessment for that or the next period, shall not be deemed a waiver or modification in any respect of the provisions of this article or a release of any member from the obligation to pay the Annual Assessment, or any installment thereof, for that or any subsequent assessment period. In the event of such omission, the Annual Assessment fixed for the preceding period shall continue until a new assessment is fixed.
- (c) Equitable Changes. If the Annual Assessments levied at any time are, or will become, inadequate to meet the expenses incurred by the Association for any reason, including nonpayment of any Owner's Assessments on a current basis, the Board may determine the approximate amount of the inadequacy and adopt a resolution which establishes a supplemental budget and establishes the equitable change in the amount of the Annual Assessment. Owners shall be given at least twenty (20) days' written notice of any changes in the amount of an Assessment.
- 3.3. Purpose of Assessments. The Assessments levied by the Association shall be used exclusively for the purpose of fulfilling the purposes of the Association and carrying out this Declaration, and including, but not limited to: (a) The improvement and maintenance, operation, care, and services related to the Common Areas; (b) The payment of insurance premiums; (c) The costs of utilities and other services which may be provided by the Association for the Community; (d) The cost of labor, equipment, insurance, materials, management, legal and administrative fees incurred or expended in performing the duties under this Declaration or the Bylaws; (e) The cost of funding all reserves established by the Association, including a general operating excess and a reserve for replacements as provided below; and (f) Any item properly chargeable as a Common Expense of the Association.
- 3.4. **Special Assessments**. In addition to the Annual Assessments authorized in this article, the Association may levy a special assessment from time to time ("Special Assessment") for the purpose of defraying, in whole or in part, the costs incurred or to be incurred by the Association which cannot be paid for through other types of Assessments. The Board may authorize a Special Assessment for any lawful purpose provided, however, that any Special Assessment levied within 12 months of a prior Special Assessment, and any Special Assessment greater than \$500 per Member may only be levied if it is first voted upon by the Members and: (1) the votes cast favoring the action exceed the votes cast opposing the action, and (2) a quorum of 30% of the Members cast a vote.
- 3.5. *Individual Assessments*. Any expenses which are not common expenses and which benefit or are attributable to fewer than all of the Lots may be assessed exclusively against the Lots affected or benefitted ("Individual Assessments"). Individual Assessments shall include, but are not limited to: (1) Assessments levied against any Lot to reimburse the Association for costs incurred in bringing the Lot or its Owner into compliance with, or to otherwise defend or uphold, or carry out, the provisions of the Governing Documents, and other charges, including attorney fees, imposed pursuant to this Declaration for violation of the Governing Documents; (2) Expenses relating to the cost of maintenance, repair and replacement of a Lot to the extent

incurred by the Association, other than Common Expenses incurred in fulfilling its ordinary maintenance responsibilities to Lots and Units hereunder.

3.6. Reserve Funds.

- 3.6.1. The Association shall establish and maintain a reserve fund for repairs and replacement of the Common Areas, for any emergency, unforeseen, unusual, or unanticipated expenditures, and for any other purpose determined from time to time by the Board by the allocation and payment to such reserve fund of an amount to be designated from time to time by the Board in its sole discretion and best business judgment or of an amount and in the manner as may be required by law. The fund shall be conclusively deemed to be a Common Expense of the Association and may be deposited with any banking institution, the accounts of which are insured by an agency of the United States of America or may, in the discretion of the Board, be invested in obligations of, or fully guaranteed as to principal by, the United States of America.
- 3.6.2. The Association may establish such other reserves for such other purposes as the Board may from time to time consider to be necessary or appropriate.
- 3.6.3. The Board's reasonable determination with respect to the amount of the reserve fund contribution shall be conclusively deemed appropriate absent intentional misconduct or gross mismanagement of Association funds. Except in such instances, individual Board members shall not be held liable for any potential or alleged under funding of the reserve account.
- 3.7. Fee Due on Transfer of Unit. Each time legal title to a Lot passes from one person to another, except a conveyance to any Declarant, within thirty (30) days after the effective date of such title transaction, the new Lot Owner shall pay to the Association, in addition to any other required amounts, a reinvestment fee, in the amount of \$250, or such other amount determined by the Board from time to time. The following are not subject to the fee: (i) an involuntary transfer; (ii) a transfer that results from a court order; (iii) a bona fide transfer to a family member of the seller within three degrees of consanguinity who, before the transfer, provides adequate proof of consanguinity, or to a legal entity, such as a trust, in which the owner or the owner's spouse, son, daughter, father or mother hold a beneficial interest of at least fifty percent (50%) for estate planning purposes; (iv) a transfer or change of interest due to death, whether provided in a will, trust, or decree of distribution; or (v) the transfer of a Lot owned by a financial institution, except to the extent required for the payment of the Association's costs directly related to the transfer of the property, not to exceed \$250.
- 3.8. Nonpayment of Assessments. The Annual Assessments shall be due and payable on a monthly basis on the first (1st) calendar day of each month, unless otherwise provided by the Board, and shall be delinquent if not paid by the 15th of the month or within such other period established by the Board from time to time. The due date of any Special Assessment or other Assessment shall be fixed in the resolution or document authorizing or levying the Assessment.
- 3.8.1. <u>Interest.</u> Delinquent payments shall bear interest from the sixteenth (16th) day of the month, or such other date established by the Board (the "date of delinquency"), at the rate of 18% per annum, or such other rate established by the Board.

- 3.8.2. <u>Late Charge.</u> Each delinquent payment shall be subject to a late charge of Thirty Dollars (\$30.00), or such other amount as determined by the Board from time to time.
- 3.8.3. Acceleration. If the delinquent installments of any Assessment, including an Annual Assessment, and any charges thereon are not paid in full, the Board, or its authorized agent, may declare all of the unpaid balance of the Assessment to be immediately due and payable upon not less than ten (10) days' written notice to the Owner, and may enforce the collection of the full Assessment and all charges thereon in any manner authorized by law and this Declaration. If, however, the Assessment is accelerated and an Owner subsequently files bankruptcy or the Board otherwise decides acceleration is not in its best interest, the Board, at its option and in its sole discretion, may elect to decelerate the obligation.
- 3.8.4. Rent Payments by Tenant to Association. If the Owner of a Lot who is leasing the Lot fails to pay an assessment for more than 60 days after the assessment is due, the Board may demand that the tenant pay to the Association all future lease payments due to the Owner, beginning with the next monthly periodic payment, until all amount dues to the Association are paid. Such demand to the tenant shall be made in accordance with the law and the written procedures of the Association. The Board, or its agent, shall give the Owner written notice of its intent to demand full payment from the tenant and such notice shall be made in accordance with the law and the written procedures of the Association.
- 3.8.5. Termination of Common Services and Facility Use. If an Owner fails or refuses to pay an assessment when due, the Board may, after giving notice and an opportunity to be heard in accordance with the law and the written procedures of the Association, terminate an Owner's right: (1) to receive any service paid as a common expense, including but not limited to utility services; and (2) of access and use of recreational facilities. If a hearing is requested, utility services or right of access and use of the recreational facilities may not be terminated until after the hearing has been conducted and a final decision has been rendered by the Board. In the event that the Association incurs costs to terminate any such utility service, the defaulting Owner shall be responsible for all such costs. Upon payment of the assessment due, including any interest, late charge, and costs of collection, the Board shall immediately take action to reinstate the terminated utility services to the Lot.
- 3.8.6. Other Remedies. All membership rights, including the right of a Member to vote shall be automatically suspended during any period of delinquency, unless otherwise determined by the Board. A Board member shall become immediately ineligible to serve on the Board and automatically dismissed from such position if delinquent more than 60 days in the payment of any Assessment. The Association shall have each and every remedy for collection of assessments provided in the Act as amended from time to time, and the provisions of the Act shall be deemed to be fully set forth herein when required by such Act in order to exercise any such remedy.
- 3.9. **Lien.** All Assessments imposed shall be a charge and continuing lien upon each of the Lots against which the assessment is made in accordance with the terms and provisions of this Article and shall be construed as a real covenant running with the land. If an assessment is payable in installments, the lien is for the amount of each installment as such becomes due and this provision shall be deemed a notice of assessment. In a voluntary conveyance, the grantee of

a Lot shall be jointly and severally liable with the grantor for all unpaid assessments against the latter for his share of the unpaid assessments up to the time of the grant or conveyance, without prejudice to the grantee's rights to recover from the grantor the amounts paid by the grantee. The Association and each Owner of a Lot hereby conveys and warrants pursuant to U.C.A. § 57-1-20 and 57-8a-302 to Robert G. Crockett, with power of sale, the Lot and all improvements to the Lot for the purpose of securing payment of assessments under the terms of the Declaration.

- 3.10. Enforcement of Lien. The Association may enforce the lien for any Assessment, including Annual, Special, Individual or otherwise, pursuant to the provisions of this Declaration. The lien is imposed upon the Lot against which the Assessment is made. The lien is established and may be enforced for damages, interest, costs of collection, late charges permitted by law, and attorneys' fees provided for in this Declaration (whether or not a legal proceeding is initiated) or by law or awarded by a court for breach of any provisions of the Governing Documents. The lien may be foreclosed judicially or non-judicially consistent with the laws of the state of Utah for the non-judicial foreclosure of deeds of trusts. 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. Upon completion of the foreclosure sale, an action may be brought by the Association or the purchaser at the sale in order to secure occupancy of the defaulting Owner's Lot, and the defaulting Owner shall be required to pay the reasonable rental value of such Lot during any period of continued occupancy by the defaulting Owner or any persons claiming under the defaulting Owner. The Association shall be entitled to the appointment of a receiver to collect the rental income or the reasonable rental value without regard to the value of the security.
- 3.11. *Appointment of Trustee.* The Declarant, the Association and each Owner hereby appoints Robert G. Crockett, attorney, as trustee for the purpose of exercising the power of sale in connection with non-judicial foreclosures as provided in Title 57, Chapter 1, Utah Code and made applicable hereto by Title 57, Chapter 8a, Utah Code Ann., as may be amended from time to time.
- 3.12. Subordination of Lien to Mortgages. The lien of the Assessments provided for in this article shall be subordinate to the lien of any first mortgagees or deeds of trust now or hereafter placed upon the Lot subject to assessment, except as follows: the sale or transfer of any Lot pursuant to mortgage or deed of trust foreclosure, or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. Such sale or transfer shall not relieve the Lot from liability for any Assessments thereafter becoming due, or from the lien of any future assessment, nor shall it relieve any personal obligation arising under Section 5.16 or elsewhere.
- 3.13. Personal Obligation and Costs of Collection. Assessments imposed under this Declaration, together with interest at a rate to be established by resolution of the Board, not to exceed the maximum permitted by law, and costs and reasonable attorneys' fees incurred or expended by the Association in the collection thereof (whether or not a lawsuit is initiated), shall also be the personal obligation of the Owner holding title to any Lot at the time when the assessment became due.
- **3.14.** Duty to Pay Independent. No reduction or abatement of Assessments shall be claimed or allowed by reason of any alleged failure of the Association or Board to take some action or

perform some function required to be taken or performed by the Association or Board under this Declaration or the Bylaws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, order or directive of any municipal or other governmental authority, the obligation to pay Assessments being a separate and independent covenant on the part of the each Owner.

3.15. Statement of Unpaid Assessment & Payoff Information. The Association shall, upon demand at any time, furnish to any Owner liable for assessment a certificate in writing signed by an officer of the Association setting forth whether Assessments has been paid. The certificate shall be conclusive evidence of payment of any assessment therein stated as having been paid. A reasonable charge may be levied in advance by the Association for each certificate so delivered. The Association may charge a fee for providing Association payoff information needed in connection with the financing, refinancing, or closing of a lot owner's sale of the owner's lot up to the maximum amount allowed by law.

ARTICLE IV - MAINTENANCE OBLIGATIONS

4.1 Maintenance by Association. The Association shall maintain the Common Areas of the Property, unless otherwise stated in this Declaration. However, if the Common Areas are damaged by the willful misconduct of an Owner, their guests, tenants, or invitees, the Owner shall be responsible for all such damage.

The Association shall provide for snow removal from the Common Areas, including the roads and sidewalks. The Association shall also maintain all Common Area amenities which may be installed from time to time.

ARTICLE V - DECLARANT RIGHTS AND CONTROL

5.1 Administrative Control of Association. Declarant shall assume full administrative control of the Association through an appointed interim Board of Directors, which shall serve until the Turnover Meeting. All of the members of this interim Board of Directors will be appointed by the Declarant. The Turnover Meeting shall be held no later than upon expiration of the Period of Administrative Control.

The Period of Administrative Control shall expire upon the earlier of: (1) seven years from the recording of this Declaration, (2) Three years after Declarant has ceased to offer Lots for sale in the ordinary course of business, or (3) Declarant voluntarily terminating the Period of Administrative Control. The Declarant may elect to voluntarily terminate the Period of Administrative Control at an earlier time by written notice to Owners and by calling and holding the Turnover Meeting.

- 5.2 Other Rights. In addition to any other rights under this Declaration or the Bylaws, as long as Declarant owns at least one (1) Lot within the Property, Declarant:
- (a) <u>Sales Office and Model.</u> Shall have the right to maintain a sales office and model in one or more of the Lots which Declarant owns. Declarant and prospective purchasers and their

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

- (b) <u>For Sale Signs.</u> May maintain a reasonable number of For Sale signs, the size of which may be determined by Declarant, at reasonable locations on the Property.
- (c) <u>Approval of Amendments.</u> Consistent with the amendment provisions of this Declaration and Bylaws, for so long as the Declarant owns at least one Lot within the Property or so long as any Additional Property remains to be added to the property, the approval of the Declarant shall be required in order to adopt any amendment to the Declaration or Bylaws of the Association.
- (d) The Act. The Declarant, the Declarant-appointed Board and the Association is exempted from all procedures, requirements and obligations imposed by the Act to the extent allowed by the Act during the Period of Administrative Control and all rights authorized to be reserved by a declarant under the Act are hereby deemed reserved by the Declarant. The Declarant and the Declarant-appointed Board are exempt from association rules and the rulemaking procedure under Utah Code Ann. § 57-8a-217 and all rights under that section are hereby reserved by Declarant.

5.3 Easements Reserved to Declarant.

- (a) The reservation to Declarant, its successors and assigns, of non-exclusive easements and rights of way over those strips or parcels of land designated or to be designated on the Plat as "Drainage and Utility Easement," "Sewer Easement," "Drainage and Sewage Easement," and "Irrigation & Drainage Easement" or otherwise designated as an easement area over any road or on the Property.
- (b) An easement for the installation, construction, maintenance, reconstruction and repair of public and private utilities to serve the Property and the Lots therein, including but not limited to the mains, conduits, lines, meters and other facilities for water, storm sewer, sanitary sewer, gas, electric, telephone, cable television, and other public or private services or utilities deemed by Declarant necessary or advisable to provide service to any Lot, or in the area or on the area in which the same is located.
- (c) Declarant further reserves unto itself and its successors and assigns, the right at or after the time of grading of any street or any part thereof for any purpose, to enter upon any abutting Common Area and grade a portion of such Common Area adjacent to such street, provided such grading does not materially interfere with the use or occupancy of any structure built on such Common Area, but Declarant shall not be under any obligation or duty to do such grading or to maintain any slope.

ARTICLE VI - THE ASSOCIATION

6.1 Organization. The Association has been organized as a nonprofit corporation under the nonprofit corporation laws of the state of Utah (Utah Code Annotated Titled 16 Chapter 6a, as may be amended from time to time). In the event the Association is at any time administratively dissolved by the State of Utah, the Board may re-incorporate the Association without a vote of the

Owners. The affairs of the Association shall be governed by a Board as provided herein and in the Bylaws Declarant has appointed an interim Board of Directors of the Association, which shall serve until their successors have been elected at the Turnover Meeting.

- 6.2 Membership. Each Owner shall be a member of the Association. The membership shall commence, exist and continue by simply virtue of the ownership, shall expire automatically upon termination of ownership and need not be confirmed or evidenced by any certificate or acceptance of membership.
- 6.3 Voting Rights. The method of voting shall be as provided in the Bylaws. Voting rights within the Association shall be allocated as follows:
- (a) <u>Lots.</u> Subject to any rights granted to Declarant during the period of Declarant control expressed above, each Owner shall have one (1) vote in matters of the Association for each Lot owned as set forth in the Bylaws.
- (b) <u>Declarant.</u> For each Lot owned, the Declarant shall have three (3) votes up until, but not including, the Turnover Meeting.
- Articles of Incorporation and Bylaws, together with its general powers as a corporation and under any applicable statute, as such statute may be amended to expand the scope of association powers, and the power to do any and all things which may be authorized, required or permitted to be done by the Association under and by virtue of this Declaration, including the power to levy and collect assessments and fines as provided in this Declaration. Without in any way limiting the generality of the foregoing, the Association shall have the following powers:
- (a) The Board may delegate by resolution or contract to the Managing Agent any of its powers under this Declaration; provided, however, that the Board cannot delegate to such Managing Agent the power to execute any contract binding on the Association for a sum in excess of Five Thousand Dollars (\$5,000.00).
- (b) The Association may borrow money, provided the assent of a majority of all Owners is obtained prior to mortgaging, pledging or hypothecating any or all of the Association's real property as security.

ARTICLE VII - INSURANCE

- 7.1 Types of Insurance Maintained by the Association. The Association shall obtain the following types of insurance:
- (a) A public general liability insurance policy covering the Association, its officers, Board members and managing agents, having at least a One Million Dollar (\$1,000,000.00) limit per total claims that arise from the same occurrence or in an amount not less than the minimum amount required by applicable law, ordinance or regulation. Coverage under this policy shall include, without limitation, legal liability of the insureds for property damage, bodily injuries and deaths of persons in connection with the operation, maintenance or use of the common elements, and legal liability arising out of lawsuits related to employment contracts of the Association;

- (b) Workers' compensation insurance, if and to the extent required by law;
- (c) Where reasonably available, blanket property insurance with not less than 100% of the full replacement cost for the Common Areas in the project, insuring against all risks of direct physical loss commonly insured against.
- 7.2 Acceptable Insurance Providers. The Association shall use generally acceptable insurance carriers.

7.3 Power of Attorney

- (a) Notwithstanding any of the foregoing provisions and requirements relating to Association property or liability insurance, there may be named as an insured, on behalf of the Association, the Association's authorized representative, including any trustee with whom the Association may enter into any insurance trust agreement (the "Insurance Trustee") who shall have exclusive authority to negotiate losses under any policy providing property or liability insurance and to perform such other functions as are necessary to accomplish this purpose. By purchasing a Lot, all Owners appoint the Association or any Insurance Trustee designated by the Association as attorney-in-fact for the purpose of purchasing and maintaining the insurance specified in this section, including: (1) the collection and appropriate disposition of the proceeds thereof; (2) the negotiation of losses and execution of releases of liability; (3) the execution of all documents; and (4) the performance of all other acts necessary to accomplish such purpose.
- (b) By purchasing a Lot, all Owners appoint the Association or any trustee designated by the Association as attorney-in-fact for the purpose of representing the Owners in condemnation proceedings or negotiations, settlements, and agreements with the condemning authority for acquisition of the Common Areas, or part thereof, by the condemning authority.

ARTICLE VIII - AMENDMENT AND DURATION

8.1 Amendments.

- (a) <u>How Proposed.</u> Amendments to the Declaration shall be proposed by either a majority of the Board of Directors or by Owners holding thirty percent (30%) or more of the voting rights of the Association. The proposed amendment must be reduced to writing and shall be included in the notice of any meeting at which action is to be taken thereon or attached to any request for approval or consent to the amendment
- (b) <u>Approval Required.</u> This Declaration may be amended if such amendment is approved by sixty percent (60%) of the voting rights of the Association. Notwithstanding the foregoing, however, for so long as the Declarant owns a single Lot in the Property or any of the Additional Property remains to be annexed into the Project, any and all amendments proposed pursuant to this Section must first receive the approval of the Declarant. Failure to receive such approval shall make the amendment null and void.
- (c) <u>Declarant Amendments.</u> The Declarant may unilaterally amend this Declaration at any time until the Turnover Meeting, except any material changes shall require the approval of a majority of the voting rights of the Association.

- (d) <u>Execution and Recordation.</u> An amendment shall not be effective until the amendment is certified by the president of the Association as being adopted in accordance with this Declaration is acknowledged and is recorded in the appropriate County Recorder's Office. An amendment or revocation which only requires the execution of an instrument by Declarant shall be effective when executed by Declarant and recorded with the County Recorder.
- **8.2 Duration**. The provisions, covenants, conditions and restrictions contained in this Declaration, as amended in whole or in part from time to time as provided above, shall continue and remain in full force and effect until there is recorded an instrument directing the permanent termination of this Declaration and the Association after the vote and approval of seventy-five percent (75%) of all of the Owners of the Lots. Any such termination shall become effective only if a certificate of the president and secretary of the Association, certifying that termination as of a specified termination date has been approved in the manner required herein, is duly acknowledged and recorded in the County Recorder's Office not less than six (6) months prior to the intended termination date.

ARTICLE IX - MISCELLANEOUS PROVISIONS

- 9.1 Pre-Litigation Requirements. Notwithstanding any other provision to the contrary in this Declaration, the Association shall not file, commence or maintain any lawsuits, actions or legal proceedings against Declarant, the individual managers, owners, members or officers of Declarant, Declarant's contractors, or any other person or entity involved in the construction of the Units unless and until all of the following requirements have been satisfied:
- 9.1.1 The Association has obtained a legal opinion from an attorney licensed to practice law in Utah having at least ten (10) years of experience in litigation practice, with the legal opinion providing in substance the following: (i) a description of the factual allegations and legal claims to be asserted in the action; (ii) an analysis of the facts and legal claims explaining why it would be in the best interests of the Association to file and pursue such action, taking into account the anticipated costs and expenses of litigation, the likelihood of success on the merits of the claims, and the likelihood of recovery if a favorable judgment is obtained by the Association; and (iii) providing a budget of the estimated amounts of legal fees, costs, expert witness fees and other expenses likely to be incurred in connection with such action (the "Litigation Budget");
- 9.1.2 A copy of the opinion letter described in subsection 9.1.1 above has been provided to all Owners, and, after the Owners have had a reasonable period of time to review the opinion letter, the decision to file the subject action has been approved by Owners (excluding Declarant) who collectively hold at least sixty percent (60%) of the total votes in the Association; and
- 9.1.3 The Association has collected funds from the Owners, by special assessment or otherwise, equal to at least one-half (1/2) of the Litigation Budget as set forth in the opinion letter obtained pursuant to subsection 9.1.1 above.

If any claims or actions falling within the scope of this Section 9.1 are filed without satisfying all of the requirements set forth above, such claims/action shall be dismissed without prejudice and shall not be re-filed unless and until all such requirements have been satisfied. In

any action to enforce the requirements of this Section 9.1, the prevailing party shall be entitled to an award of reasonable attorney fees and costs. For purposes of clarity, this Section 9.1 and the requirements set forth herein shall not apply to any actions or legal proceedings filed by the Association to recover payment of any type of assessment or other amounts required to be paid by Owners to the Association under this Declaration, nor does this Section apply to claims or actions that individual Owners may file relating solely to their own properties. Individual Owners, however, shall not be allowed to file or pursue any actions or claims belonging to other Owners or to the Association.

- 9.2 Recovery of Costs and Attorney Fees. The Association shall be entitled to recover its costs and attorney's fees incurred for enforcement or any dispute involving the interpretation of this Declaration regardless of whether any lawsuit or other action is commenced. Such costs and attorney's fees shall automatically be and constitute an assessment against the Owner and the Lot. Additionally, the prevailing party shall be entitled to its attorney fees and costs in any dispute concerning any Governing Document, including an action dealing with the declaration of rights and obligations thereunder with or without a defaulting party, whether such costs and expenses are incurred with or without suit; before or after judgment; in any appeal; in any bankruptcy or receivership proceeding; or in connection with any alternative dispute resolution proceeding.
- 9.3 Invalidity; Number; Captions. The invalidity of any part of this Declaration shall not impair or affect in any manner the validity, enforceability, or effect of the balance of this Declaration. As used herein, the singular shall include the plural and the plural the singular. The masculine and neuter shall each include the masculine, feminine, and neuter, as the context requires. All captions used herein are intended solely for convenience of reference and shall in no way limit any of the provisions of this Declaration.
- 9.4 Joint Owners. In any case in which two or more persons share the ownership of any Lot, regardless of the form of ownership, the responsibility of such persons to comply with this Declaration shall be a joint and several responsibility and the act or consent of any one or more of such persons shall constitute the act or consent of the entire ownership interest; provided, however, that in the event such persons disagree among themselves as to the manner in which any vote or right of consent held by them shall be exercised with respect to a pending matter, any such person may deliver written notice of such disagreement to the Board of Directors, and the vote or right of consent involved shall then be disregarded completely in determining the proportion of votes or consents given with respect to such matter in accordance with the Bylaws.
- 9.5 Lessees and Other Invitees. No damage to, or waste of the Common Areas or any part thereof shall be committed by any Owner or any Unit occupant, guest, invitee, lessee of any Owner, and each Owner shall indemnify and hold the Board and the other Owners harmless against all loss resulting from any such damage or waste caused by any such person. Lessees, invitees, guests, Unit occupants, contractors, family members and other persons entering the Property under rights derived from an Owner shall comply with all of the provisions of the Governing Documents restricting or regulating the Owner's use, improvement or enjoyment of such Owner's Lot and other areas within the Property. The Owner shall be responsible for obtaining such compliance and shall be liable for any failure of compliance by such persons in the same manner and to the same extent as if the failure had been committed by the Owner.

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

9.7 Interpretation. All questions of interpretation or construction of any of the covenants or restrictions in this Declaration shall be resolved by the Board, and its decision shall be final, binding and conclusive on all parties affected for all purposes. Words and phrases used in the Governing Documents are to be construed according to the context and the ordinary usage of the language; but technical words and phrases, and such others as have acquired a peculiar and appropriate meaning in law, or are defined herein, are to be construed according to such peculiar and appropriate meaning or definition. Local zoning or other ordinances or statutes may define certain words or phrases which are used herein and such definitions, unless otherwise required by law, are not authoritative or binding unless the Board specifically determines, as to a particular word or phrase, that such definition applies, and such determination shall be final and conclusive as to all parties affected for all purposes. The covenants, restriction and terms of this Declaration are to be interpreted broadly to give effect to the Association's role as the governing body of the Community and to grant all the powers necessary for management of the common property, administration of the servitude regime, carrying out other functions set forth herein, and furthering the purposes of the Association. The enumeration of specific items, acts, rights, or powers in this instrument does not limit or restrict and is not to be construed or interpreted as limiting or restricting, the general powers granted to the Association or Board except where powers are expressly restricted. The Board may from time to time issue written policies, procedures and resolutions interpreting and implementing the provisions of this Declaration, including, by way of example and not limitation, policies, procedures and resolutions that interpret or clarify any provision of the Governing Documents deemed vague or ambiguous by the Board.

9.8 Liability; Duties. From the time that the Common Area, or any portion thereof, is opened and put into use for the enjoyment of Owners, the Association shall be and remain wholly free and clear of any and all liability to, or claims by, all Owners, and all persons and entities, of whatever kind or character, whether sounding in contract or tort, deriving from the occurrence of any injury or damage to any person or property on, or in respect of the use and operation of, the Common Area or any of its improvements, fixtures, and facilities, and an Owner shall defend, indemnify and hold harmless the Association against such claim, loss or liability asserted by such Owner or his or her guest, invitee, licensee, tenant, or visitor. In this respect, it shall be the affirmative duty and responsibility of each Owner and user of the common area facilities to continuously inspect the same for any defects or perils or other unsafe conditions or circumstances, prior to and during such use or enjoyment thereof; and all users of, and visitors to, the common area and its improvements and facilities shall use, enjoy, and visit, the same at their own risk and peril. Nothing contained in this Declaration shall be construed so as to impose any liability upon the Association for personal injuries or property damages to guests, invitees, trespassers, or other third parties arising out of the Association's failure to perform any duty or obligation imposed upon the Association by this Declaration. Nothing contained in this Declaration shall be construed so as to impose any contractual liability upon the Association for failing to take any of the

following actions, except to the extent funds shall be available and the action shall be deemed necessary and appropriate by the Association: (a) maintain the Common Areas; or (b) take any corrective or enforcement action, including an action against any Owner for non-compliance with any provision in the Governing Documents or any federal, state or local statute or regulation. Nothing contained in this Declaration shall be construed so as to impose any duty upon the Association to inspect the Common Areas or Lots for dangerous, unsafe or unsanitary conditions or compliance with the Governing Documents or any municipal, county, state or federal law, regulation or order.

10.9 Notice of Sale, Mortgage, Rental, or Lease. Immediately upon the sale, mortgage, rental, or lease of any Lot, the Owner shall promptly inform the secretary or manager of the name and address of said grantee, vendee, mortgagee, lessee, or tenant.

IN WITNESS WHEREOF, the Declarant, has executed this Declaration this _24th day of March, 2025.

Patterson Homes, LLC

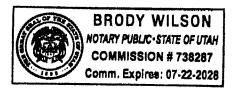
By: Scott Dunn

Its: Manager

STATE OF UTAH

COUNTY OF UTAH

The foregoing instrument was acknowledged before me on this ______day of March, 2025 by Scott Dunn, Manager of Patterson Homes, LLC.



Notary Public for Mah

EXHIBIT A (LEGAL DESCRIPTION)

Beginning at the Southerly Line of Willow Park River Plat C, Said Point also Being South 0° 09′ 05″ East 731.80 Feet Along the Section Line and West 430.68 Feet From the Northeast Corner of Section 13, Township 5 South, Range 1 West of the Salt Lake Base and Meridian; Running Thence Along Said Southerly Line of Willow Park River Plat C and the Southerly Line of Willow Park River Plat B, North 86° 33′ 30″ East 187.33 Feet; Thence South 0° 36′ 59″ East 721.32 Feet Along the Westerly Lines of Willow Park River Plat B and Willow Springs Plat A to the North Right of Way Line of Main Street; Thence Along Said Right of Way Line the Following Four (4) Courses: (1) North 78° 26′ 59″ West 19.42 Feet; (2) South 88° 50′ 24″ West 117.07 Feet; (3) South 83° 44′ 24″ West 33.84 Feet; (4) North 89° 46′ 12″ West 6.36 Feet to the Southeast Corner of Laird Park Plat "A"; Thence Along the Easterly Boundary Line of Said Laird Park Plat "A" And an Existing Fence Line, The Following Six (6) Courses: (1) North 0° 05′ 00″ West 72.95 Feet; (2) North 00° 53′ 00″ West 138.00 Feet; (3) North 1° 22′ 00″ West 95 Feet; (4) North 0° 33′ 00″ West 79 Feet; (5) North 2° 19′ 00″ West 327 Feet; (6) North 00° 05′ 46″ East 0.54 Feet to the Point of Beginning.

ALSO DESCRIBE AS:

Carla's Cove Subdivision, Lehi, Utah County, Utah.

EXHIBIT B - BYLAWS

SECTION 1

MEETINGS OF OWNERS

- **1.1. Annual Meetings.** The first annual meeting and subsequent annual meetings of the Association will be held at a time and in a month specified by the Board.
- 1.2. Special Meetings. A special meeting of the Association may be called at any time by the Board or the president of the Association, or by the Board upon the written request of at least 30% of the Owners. A special meeting may only be held for the purposes set forth in the notice for that special meeting.
- **1.3. Place of Meetings.** The Board may designate any place in the County as the place for any annual or special meeting of the Association.
- 1.4. Notice of Meetings. Notice of each meeting stating the place, date, and time of the meeting and the purpose or purposes for which the meeting is called, will be delivered to each Owner entitled to vote at the meeting, not less than 7 nor more than 90 days before the date of the meeting. If mailed, the notice will be deemed to be delivered when deposited in the United States mail, postage prepaid, and addressed to the Owner at its address as it appears in the records of the Association. The Board may set a record date for determining the Owners entitled to notice. The Association will give notice at the Association's expense of any special meeting called by the Owners.

SECTION 2

VOTING: QUORUM

- **2.1. Quorum.** Except as otherwise provided in the Declaration, the number of Owners participating in a meeting in person, by proxy, or by written ballot will constitute a quorum.
- 2.2. Voting Method. Votes may be cast in person, by proxy, or by written ballot.
- **2.3.** Action by Proxy. Every proxy must be executed in writing by the Owner or its duly authorized attorney-in-fact and filed with the secretary of the Association before or at the time of the meeting. No proxy will be valid after the expiration of one year from the date of its execution unless otherwise provided in the proxy.

2.4. Action by Written Ballot.

(a) Any action that may be taken at any meeting of the Association may be taken without a meeting if the Association delivers a written ballot to every Owner entitled to vote on the matter. Such written ballot will set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written ballot will be valid only when the number of approvals equals or exceeds the number of votes that would be required to approve the

matter at a meeting at which the total number of votes cast was the same as the number of votes cast by written ballot. Owners submitting a written ballot will be considered to have participated in the meeting for all purposes.

- (b) All solicitations for votes by written ballot will: 1) indicate the number of responses needed to meet the quorum requirements; 2) state the percentage of approvals necessary to approve each matter other than election of directors; 3) specify the time by which a written ballot must be received by the Association in order to be counted; and 4) be accompanied by written information sufficient to permit each Owner casting a written ballot to reach an informed decision on the matter.
 - (c) A written ballot may not be revoked.
 - (d) Action by written ballot will have the same effect as action taken at a meeting.
- (e) The number of votes cast by written ballot will constitute a quorum for action on the matter.
- (f) A written ballot may also be used in connection with any meeting of the Association, thereby allowing Owners the choice of either voting in person or by written ballot delivered by an Owner to the Association in lieu of attendance at such meeting. A valid written ballot will be counted equally with the votes of Owners in attendance at any meeting for every purpose.
- **2.5 Failure to Object**. A failure to object at a meeting to the method or form of voting in all respects, if the vote occurs at a meeting, constitutes a waiver by any Owner of any objection or claim regarding the form and procedure of voting.

SECTION 3

BOARD & OFFICERS

- **3.1. Number, Election, Term of Directors.** The Board shall consist of three Directors. Except during the Period of Administrative Control, as set forth in the Declaration, Directors will be elected at the annual meetings of the Association by a plurality of votes, that is, the candidate(s) with the most votes shall be elected. Except during the Period of Administrative Control and except at the first election, each Director will hold office for a term of two years. At the first election, the two candidates receiving the most votes shall be elected for two year terms and the third Director shall serve a one year term, so as to achieve a staggering of terms.
- 3.2. Resignation or Death. A Director may resign before the expiration of his term by giving written notice to the president or to the secretary of the Association. Such resignation will take effect on the date specified in the notice. Upon the resignation or death of a Director, the remaining Directors will appoint a replacement Director to serve until his successor is elected.
- 3.3. Meetings. Meetings of the Board will be held at least annually, and at any time when called by the president of the Association or by two or more Directors, upon the giving of at least two days' prior notice of the time and place of the meeting to each Director by hand-delivery, prepaid

United States mail, fax, email, telephone, or in any other manner deemed fair and reasonable by the Board. Any business may be transacted at a Board meeting. No notice of a Board meeting need state the purposes for holding the meeting, and no notice of any adjourned Board meeting will be required. If the Board establishes a regular meeting schedule, then such regular meetings of the Board may be held without notice of the date, time, or place of the meeting.

- **3.4. Place of Meetings.** The Board may designate any location convenient to the Directors in which to hold a Board meeting. Directors may participate in any Board meeting by means of any electronic or telephonic communication by which all participants may simultaneously hear one another during such meeting. Directors who participate in a Board meeting by such means will be considered present for all purposes, including the presence of a quorum.
- **3.5. Quorum.** A majority of Directors will constitute a quorum for the transaction of business, but a lesser number may adjourn any Board meeting from time to time. When a quorum is present at any Board meeting, a majority of the Directors in attendance will decide any question brought before such meeting.
- 3.6. Waiver of Notice. Before, at, or after any Board meeting, any Director may, in writing, waive notice of such meeting and such waiver will be deemed equivalent to the giving of such notice. Attendance by a Director at a Board meeting will constitute a waiver of notice by such Director except when such Director attends the meeting for the express purpose of objecting to the transaction of business based on a claim that the meeting was not duly called or convened.
- 3.7. Informal Action by Directors. Any action required or permitted to be taken at a Board meeting may be taken without a meeting (e.g., via email correspondence) if each member of the Board in writing either: (1) votes for the action, or (2) votes against the action, or (3) abstains from voting and waives the right to demand that action not be taken without a meeting.
- **3.8 Removal of Directors**. Except for any Director appointed by the Declarant, a Director may be removed by affirmative vote of the majority of the Members at a meeting called for that purpose.

SECTION 4

OFFICERS AND AGENTS

- **4.1. General.** The Officers shall be elected by the Board. An Officer need not be a member of the Board. The Officers of the Association shall be a president, a vice president, and a secretary/treasurer. The Board may appoint such other Officers, assistant Officers, committees, and agents, including assistant secretaries and assistant treasurers, as it may consider necessary or advisable, who will be chosen in such manner and hold their offices for such terms and have such authority and duties as from time to time may be determined by the Board. One person may hold any two offices, except that no person may simultaneously hold the offices of president and secretary. In all cases where the duties of any Officer, agent, or employee are not prescribed by these Bylaws or by the Board, such Officer, agent, or employee will follow the orders and instructions of the president.
- **4.2. Removal of Officers.** The Board may remove any Officer with or without cause, and elect a successor at any Board meeting.

- **4.3. Vacancies.** A vacancy in any office will be filled by the Board for the unexpired portion of the term.
- **4.4. President.** The president will be the chief Officer of the Association. The president will preside at all Association meetings and Board meetings. The president will have the general and active control of the affairs and business of the Association and general supervision of its Officers, agents, and employees. The president is designated as the Officer with the power to prepare, execute, certify, and/or file amendments to the Articles, Bylaws, and the Rules and Regulations on behalf of the Association. The initial President shall be Scott Dunn.
- **4.5.** Vice President. The vice president will assist the president and will perform the duties assigned to him by the president or the Board. In the absence of the president, the vice president will have the powers and perform the duties of the president. The initial Vice President shall be Matt Childs.

4.6. Secretary/Treasurer. The Secretary/Treasurer will:

- (a) keep, or cause to be kept, the minutes of the proceedings of Association meetings and Board meetings;
- (b) see that all notices are duly given in accordance with the provisions of these Bylaws;
- (c) maintain the records of the Association, including a record containing the names and registered addresses of all Owners, the designation of the Lot owned by each Owner, and, if a Lot is Mortgaged, the name and address of each Mortgagee;
- (d) perform all other duties incident to the office of secretary and the duties assigned to her or him by the president or the Board;
- (e) be the principal financial Officer of the Association and will have the care and custody of all funds, securities, evidences of indebtedness, and other personal property of the Association;
- (f) receive and give receipts and acquittances for moneys paid in on account of the Association and will pay out of the funds on hand all bills, payrolls, and other just debts of the Association upon maturity;
- (g) perform all other duties incident to the office of treasurer and, upon request of the Board, make such reports to it as may be required at any time;
- (h) if required by the Board, give the Association a bond for the faithful performance of his duties and for the restoration to the Association of all books, papers, vouchers, money, and other property in his possession or under his control belonging to the Association; and
- (i) have such other powers and perform such other duties assigned to her or him by the president or the Board.

The initial Secretary / Treasurer shall be Daniel Patterson.

SECTION 5

CONTACT INFORMATION; ADDRESS

Each Owner is required to register a mailing address, a phone number, and an email address with the Association within ten days after becoming an Owner. The contact information of each Owner will be kept in the records of the Association. Owners must notify the Association of any change in contact information within ten days after the change. Any notice mailed to an Owner's registered address or—if the Owner fails to register an address with the Association—to the address on file with the County Recorder will be deemed duly delivered.

SECTION 6

LIABILITY; INDEMNIFICATION OF OFFICERS AND DIRECTORS

Each officer and Board member of the Association, in consideration of his or her services, shall be indemnified by the Association to the extent permitted by the Utah Revised Nonprofit Corporation Act (regardless of the Association's corporate status or lack thereof) against expenses and liabilities reasonably incurred by him or her in connection with the defense of any actual or threatened action, suit or proceeding, civil or criminal, to which he or she may be a party by reason of being or having been a Board member or officer of the Association. The foregoing right to indemnification shall not be exclusive of any other rights to which the Board member or officer or person may be entitled by law or agreement or vote of the members or otherwise. No member of the Board or any committee of the Association, and no officer of the Association shall be personally liable to the Association or its Members or to any Owner for damages for breach of fiduciary duty, mistake of judgment, negligence, tortious acts or other conduct but this Article shall not eliminate or limit the liability of such for acts or omissions that involve intentional misconduct, fraud or a knowing violation of law. No member of the Board or any committee of the Association, and no officer of the Association shall be personally liable in contract under any agreement, instrument or transaction entered into by them on behalf of the Association. Further, no member of the Board or any committee of the Association, and no officer of the Association shall have any personal liability arising out of the use, misuse or condition of the Project or any part thereof that might in any way be assessed against or imputed to them as a result of or by virtue of their capacity as Directors, officers or committee members.

SECTION 7

NOTICE, AFFAIRS, ELECTRONIC MEANS

7.1. **Affairs, Electronic Means.** Any transaction or action involving the business or affairs of the Association, including but not limited to voting and providing notice or records, may be conducted by electronic means. The Association may accept a vote, consent, written ballot, waiver, proxy appointment, or proxy appointment revocation as the act of the member if the Board does so in good faith and has no reason to believe it is not the act of the member. A writing may be delivered in an electronic medium or by electronic transmission, and may be signed by photographic, electronic, or other means. An electronic record or electronic signature is

attributable to a person if it was the act of the person. An electronic signature may consist of a mark, symbol, character, letter, or number or any combination thereof attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record and the same shall be considered the signature of such person. A writing includes any document, record, vote, ballot, proxy, or instrument required or permitted to be transmitted by a Member or by the Association.

7.2 **Notice.** In any circumstance where notice is required to be given to the homeowners, the Association may provide notice by electronic means, including text message, email, or an Association website. A homeowner may require the Association, by written demand, to provide notice to the homeowner by mail. The Board is authorized to promulgate rules and procedures facilitating the implementation of this section as it deems fit from time to time, including requiring members to furnish the Association with a current email address.

SECTION 8

AMENDMENT

Except as limited by law or the Articles, these Bylaws may be amended by a vote of at least a majority of the voting rights of the Association.

IN WITNESS WHEREOF, the Association has caused these Bylaws to be executed by its duly authorized officers on this 2 day of March, 2025.

Scott Dunn President