

**DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS
AND RESTRICTIONS FOR
THE FALLS AT BOULDEN RIDGE SUBDIVISION
BLUFFDALE, UTAH**

THIS DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS FOR THE FALLS AT BOULDEN RIDGE SUBDIVISION (the "Declaration") is made and executed this ___ day of June, 2007, by Scenic Development, Inc., a Utah corporation (the "Declarant").

RECITALS

A. Declarant is the owner of certain unimproved real property located in Salt Lake County, Utah and more particularly described on Exhibit A attached hereto.

B. Declarant intends to develop a residential subdivision on the Property, and certain adjacent real property (the "Additional Property"). In addition, Declarant desires to develop certain other adjacent property into a retirement community (the "Retirement Community Land"), and to include such Retirement Community Land in the Subdivision. The Property and the Additional Property will be developed into the Subdivision in three (3) or more phases. If Declarant acquires the Retirement Community Land, such property will be included in the Subdivision in one or more phases. Declarant will develop and convey all of the Lots within the Subdivision subject to a general plan of development, and subject to certain protective covenants, conditions and restrictions all as set forth in this Declaration, and which are deemed to be covenants running with the land mutually burdening and benefiting each of the Lots within the Subdivision.

DECLARATION

DECLARANT HEREBY DECLARES that all of the Lots within the Subdivision shall be held, sold, conveyed, encumbered, leased, used, occupied and improved subject to the protective covenants, conditions, restrictions and equitable servitudes set forth in this Declaration, all of which are created for the mutual benefit of the Owners of the Lots. It is the intention of the Declarant in imposing these covenants, conditions and restrictions to create a generally uniform pattern of development, to protect and enhance the property values and aesthetic values of the Lots by eliminating inconsistent uses or improvements, all for the mutual protection and benefit of the Owners of the Lots. The covenants, conditions and restrictions are intended to, and shall in all cases run with the title of the land, and be binding upon the successors, assigns, heirs, lien holders, and any other person holding any interest in the Lots, and shall inure to the benefit of all other Lots in the Subdivision. The covenants, conditions and restrictions shall be binding upon the Declarant as well as its successors in interest, and may be enforced by the Declarant or by any Owner of a Lot within the Subdivision on the Property.

Notwithstanding the foregoing, no provisions of this Declaration shall prevent the Declarant from doing any of the following, which shall be deemed to be among Declarant's reserved rights in addition to such rights as may be described elsewhere in this Declaration: (1) installation and completion of the Subdivision Improvements; (2) use of any Lot owned by the Declarant as a model home, or for the placement of a temporary construction or sales office; (3) installation and maintenance of signs incidental to sales or construction which are in compliance with applicable City ordinances; (4) assignment of Declarant's rights under this Declaration in whole or in part to one or more builders intending to

construct homes within the Subdivision; and (5) amendment of this Declaration and recordation of a Plat for future Phases of the Subdivision.

COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS:

ARTICLE I

DEFINITIONS

1. Unless the context clearly requires the application of a more general meaning, the following terms, when used in this Declaration, shall have the following meanings:

“Additional Land” means the land that may be added to the Subdivision in accordance with the provisions of Section 12.10, which land is more particularly described on Exhibit B attached hereto and incorporated herein by this reference.

“Amendment” means any amendment to this Declaration to include a Phase of the Additional Land or the Retirement Community Land in the Subdivision.

“Approved Contractor” shall mean a general contractor approved by Declarant or the Architectural Committee as provided herein.

“Architectural Committee” shall mean the committee created under Article IV of this Declaration.

“Architectural Design Standards” shall mean and refer to those guidelines and regulations created by the Declarant for the design and construction of Dwellings and other Improvements within the Subdivision.

“Association” shall mean The Falls at Boulden Ridge Homeowners Association, whether incorporated or not, and as the context requires, the officers and directors of that Association.

“Building Pad” shall consist of either (i) the area designated upon the Plat where a Dwelling or other building may be located, or (ii) if no such area is designated upon the Plat, the area located within the Lot boundaries, reduced however, by all setbacks which are required by the terms of this Declaration or by appropriate governmental agencies.

“City” shall mean Bluffdale City, Utah, and its appropriate departments, officials, and boards.

“Common Areas and Facilities” shall mean the areas designated on the Plat for Phase 1 as Parcel A – Open Space, Parcel B – Open Space, Parcel C – Park/Pond and Parcel D, or areas designated on the Plats for other Phases, which areas shall be owned and maintained by the Association for the benefit of all Lots within the Subdivision. Subdivision Improvements in the Common Areas and Facilities shall include the Parks and Open Space and may include a clubhouse, sports court and swimming pool.

“Compliance Procedures” has the meaning set forth in Section 3.1 below.

“Declarant” shall mean and refer to Scenic Development, Inc., a Utah corporation, and any successor in the ownership of Lots where ownership is conveyed in connection with a total or limited assignment and assumption of Declarant’s rights and obligations under this Declaration.

“Declaration” shall mean this Declaration of Covenants, Conditions, Easements and Restrictions, together with any subsequent amendments or additions. The Subdivision Plat(s) for The Falls at Boulden Ridge Subdivision, and the easements and other matters shown on any such Plat, are also incorporated into this Declaration by reference.

“Dwelling” shall mean the single family residence built or to be built on any Lot, including the attached garage.

“Horse Lots” shall mean ten (10) Lots within the Subdivision, which shall be designated by Declarant and shall permit the Lot Owner to maintain no more than two (2) horses in a designated area on such Horse Lots in strict accordance with Article XIII below.

“Improvement” shall mean all structures and appurtenances of every type and kind, including but not limited to buildings, Dwellings, garages, storage buildings, walkways, retaining walls, sprinklers, pipes, driveways, fences, landscaping, pools, decks, stairs, poles, lighting, signs, satellite dishes or other antennas, and any mechanical equipment located on the exterior of any building.

“Lot” shall mean any numbered building Lot shown on any Plat of all or a portion of the Subdivision.

“Owner” shall mean the Person or Persons having title to any Lot. Owner shall mean the person holding fee simple title, including the Declarant, and buyers under any contract for deed, but shall exclude any person or entity holding title for purposes of securing performance of an obligation.

“Parks and Open Space” shall mean the park and open space areas in the Subdivision owned and maintained by the Association.

“Person” shall mean a natural person or any legal entity with a right to hold title to real property in its own name in the State of Utah.

“Phases” mean the phases of the Subdivision. Declarant anticipates developing the Subdivision in three (3) or more Phases. The Property constitutes Phase 1 of the Subdivision. The Additional Property comprising additional Phases of the Subdivision is more particularly described on Exhibit B and incorporated herein by reference. The Retirement Community Land also may be included in the Subdivision and developed in Phases and is more particularly described on Exhibit C attached hereto. Declarant intends to record a Plat for each Phase, and to amend this Declaration concurrent with the recordation of the Plat for each Phase to ensure that all Lots in the Subdivision are subject to this Declaration.

“Plat” or “Plats” shall mean the official subdivision plat for each Phase of The Falls at Boulden Ridge Subdivision as approved by Bluffdale City and Salt Lake County and recorded in the office of the Salt Lake County Recorder, as it may be amended from time to time. The Plat for Phase 1 of the Subdivision will be recorded at or before the time this Declaration is recorded. The Plats for other Phases will be recorded with Amendments to the Declaration.

“Property” shall have the meaning set forth in the Recitals.

“Retirement Community Land” means the land that may developed by Declarant as a retirement community and added to the Subdivision in accordance with the provisions of Section 12.10, which land is more particularly described on Exhibit C attached hereto and incorporated herein by this reference.

“Subdivision” shall mean The Falls at Boulden Ridge Subdivision, and all Lots, Common Areas and Facilities, Trails, and other property within the Subdivision as shown on the Plats for each Phase of the Subdivision, including the Additional Property and the Retirement Community Land, if acquired by Declarant.

“Subdivision Improvements” shall mean all subdivision improvements to be installed outside of the boundaries of Lots or within easements as identified on the Plat that are necessary to provide (i) public road access and utility service to the Lots, (ii) the improvements within the Common Areas and Facilities such as a club house, swimming pool, sports court, and water features, (iii) water features and landscaping, (iv) the Parks and Open Space, and (v) all other construction work required to comply with any conditions of the City or other governmental agencies to the approval of the Subdivision or any Plat thereof.

“Trails” shall mean the area within certain Lots or the Property reserved for the installation and maintenance of trails, trees, plants, shrubs, and other landscaping and lighting features, and easements reserved for the construction and maintenance of such trails and features, to be established by Declarant and designated as trail easements on the Plats, and subject to public use.

“Trustees” shall mean the duly elected and acting Board of Trustees of The Falls at Boulden Ridge Homeowners Association, whether incorporated or not.

ARTICLE II

PROPERTY DESCRIPTION; PROPERTY RIGHTS

2. The Property which is and shall be held, transferred, sold, conveyed and occupied subject to the provisions of this Declaration consists of the real property situated in Salt Lake County, State of Utah and more particularly described on Exhibit A attached hereto and incorporated herein by reference.

TOGETHER WITH all easements, rights-of-way, and other appurtenances and rights incident to, appurtenant to, or accompanying the above-described parcel of real property, whether or not the same are reflected on the Plats.

EXCLUDING all presently existing or to be constructed or installed sewer lines, water mains, gas lines, electrical conduits, telephone lines, and related facilities to the extent that they are located outside the Lots included with the above-described tract; provided, however, that lines and systems specifically conveyed to the Association by Declarant shall not be included within this exclusion.

RESERVING UNTO DECLARANT, however, such easements and rights of ingress and egress over, across and through and under the above-described tract and any improvements now or hereafter constructed thereon as may be reasonably necessary for Declarant or any assignee of Declarant (in a manner which is reasonable and not inconsistent with the provisions of this Declaration): (i) to construct a Dwelling on each and every Lot; and (ii) to construct the Subdivision Improvements. If, pursuant to the foregoing reservation, the above-described tract or any improvement thereon is traversed

or partially occupied by a permanent improvement or utility line, a perpetual easement for such improvement or utility line shall exist. With the exception of such perpetual easements, the reservation hereby effected shall, unless sooner terminated in accordance with its terms, expire seven (7) years after the later of the date on which (i) this Declaration or (ii) an Amendment to the Declaration incorporating an additional Phase of the Subdivision is filed for record in the office of the County Recorder of Salt Lake County, Utah.

ALL OF THE FOREGOING IS SUBJECT TO: All liens for current and future taxes, assessments and charges imposed or levied by governmental or quasi-governmental authorities; all patent reservations and exclusions; all mineral reservations and exclusions; all mineral reservations of record and rights incident thereto; all instruments of record which affect the above-described tract or any portion thereof, including without limitation, any mortgage or deed of trust; all visible easements and rights-of-way; and all easements and rights-of-way of record, AND TO EACH OF THE COVENANTS, EASEMENTS, CONDITIONS AND RESTRICTIONS CONTAINED IN THIS DECLARATION.

2.1 Dedication of Easement for Trails. In addition to the reservations set forth above, the Plat designates the area of the Trails on certain Lots, which the Association and the Owners shall enjoy for the installation and maintenance of Trails and certain landscape features. Such right and easement shall be appurtenant to and shall pass with title to each Lot and in no event shall be separated therefrom.

2.2 Public Use of Parks and Open Space, and the Trails. The Parks and Open Space (exclusive of the Private Park Area (as defined below)), and the Trails shall be made available for use by the public in accordance with their intended use. Any person using such Parks and Open Space and Trails shall not have the status of an invitee or licensee to whom a duty of care is owed, and the Declarant, Association and the Owners assume no responsibility for or shall incur any liability for any injury to persons or property caused by the act or omission of the person or any other person who enters upon such areas. The Declarant, Association and the Owners specifically rely upon the provisions of "Limitations of Landowner Liability – Public Recreation Act," Section 57-14-1, et seq., Utah Code Ann. in providing the use of the Parks and Open Space and Trails to the public.

2.3 Storm Drain Easements. Certain areas within the Subdivision as designated upon the Plats are dedicated and reserved for storm drain easements and the holding of storm waters emanating from the Property. The Association shall be solely responsible for the maintenance of such areas including but not limited to all storm drain pipelines, ponds, sumps and other equipment and/or improvements constituting such storm drain systems. The storm drain system shall be owned by the Association.

2.4 Phases. Declarant anticipates developing the Subdivision in three (3) or more Phases. The Additional Land comprising subsequent Phases of the Subdivision is more particularly described on Exhibit B attached hereto. The Retirement Community Land that may be included in subsequent Phases of the Subdivision is more particularly described on Exhibit C attached hereto. Declarant intends to record a Plat for each Phase, and to amend this Declaration concurrent with the recordation of the Plat for each Phase to ensure that all Lots in the Subdivision are subject to this Declaration. Each Owner agrees to the inclusion of all Phases within the Subdivision, and the recordation of Amendments to this Declaration to include such Phases of Additional Land or the Retirement Community Land.

2.5 Easement Concerning Common Areas and Facilities and Trails. Each Lot (and the Owner thereof) shall have appurtenant thereto a nonexclusive right and easement of use and enjoyment in and to the Common Areas and Facilities and Trails for their intended purposes. Such right and easement shall be appurtenant to and shall pass with title to each Lot (and subsequent Owners) and shall in no event be separated there from.

2.6 Utility Easements. Each Lot is subject to appurtenant easements for underground lines for utility purposes as depicted on the Plat. If any Owner utilizes such easement rights with respect to his Lot, he shall be responsible for the restoration to its former state of any portion of the Common Areas and Facilities or Trails, which may have been disturbed or damaged as a result. No permanent structures may be constructed within the area of public utility easements designated on a Plat, and Owners shall refrain from taking any other action that would limit the use of the public easement areas for their intended purpose.

2.7 Easements for Ingress and Egress. There are hereby created easements for ingress and egress for pedestrian traffic over, through and across sidewalks, paths, walks and lanes that from time to time may exist upon the Common Areas and Facilities and Trails. There is also created an easement for ingress and egress for pedestrian and vehicular traffic over, through and across such public street and parking areas as from time to time may be paved and intended for such purposes. Such easements shall run in favor of and be for the benefit of the Owners of the Lots and their guests, families, tenants and invitees. There is also hereby created an easement upon, across and over the Common Areas and Facilities for vehicular and pedestrian ingress and egress for police, fire, medical and other emergency vehicles and personnel.

ARTICLE III

HOMEOWNER ASSOCIATION

3. To effectively enforce the covenants in this Declaration, the Declarant has created, or will create, a Utah non-profit corporation called The Falls at Boulden Ridge Homeowners Association. The Association shall be comprised of the Owners of Lots within the Subdivision, and is established to perform the following functions and exercise the following rights and powers for the benefit of the Owners and the enforcement of the covenants set forth in this Declaration. Membership in the Association is deemed an appurtenance to the Lot, and is transferable only in conjunction with the transfer of the title to the Lot. The Association shall have and exercise, as necessary, the following powers:

3.1 Enforcement Powers. The Association shall have the power to enforce the covenants in this Declaration by actions in law or equity brought in its own name, the power to retain professional services needed for the enforcement of the covenants in this Declaration and to incur expenses for that purpose. The officers of the Association shall have the authority to compromise claims and litigation on behalf of the Association resulting from the enforcement of this Declaration. The Trustees of the Association shall have the exclusive right to initiate enforcement actions in the name of the Association; however, this shall not limit the individual rights of Owners to personally enforce the covenants of this Declaration in their own name. The Association may appear and represent the interests of the Subdivision at all public meetings concerning zoning, variances, or other matters of general application and interest to the Owners. Owners may appear individually. The Association is expressly authorized to implement a notification and fine system (the "Compliance Procedures") for violations of the covenants in this Declaration. The Compliance Procedures are attached hereto as Exhibit D. In the event that the Association later amends such Compliance Procedures, the Association will distribute an updated version

of such Compliance Procedures to each Owner. Notwithstanding the foregoing, an Owner's failure to receive a copy of the updated Compliance Procedures shall in no way constitute a defense to any fine or penalty that may be imposed by the Association in accordance with such Compliance Procedures.

3.2 Use and Maintenance of the Parks and Open Space and Trails. The Parks and Open Space and Trails shall remain as open space subject to the terms and conditions of easements created in these areas by the Plat and this Declaration. No Improvements of any kind may be constructed or maintained in the Trails depicted on the Plat except for underground public utility facilities. The Association shall be responsible for the maintenance of the Parks and Open Space and Trails, and shall maintain those areas generally in their existing condition after completion of Subdivision Improvements. The Association shall have the authority to assess its members for the cost of maintaining the Parks and Open Space and Trails. In addition, the Association shall enforce the restrictions of the easements and this Declaration applicable to the Parks and Open Space and Trails, and shall assess Owners for the costs of such enforcement.

3.3 Use and Maintenance of the Common Areas and Facilities. Use of Common Areas and Facilities shall be governed by rules to be promulgated by the Association. The Association shall be responsible for the maintenance of the Common Areas and Facilities, and shall maintain those areas generally in their existing condition after completion of Subdivision Improvements. The Association shall have the authority to assess its members for the cost of maintaining the Common Areas and Facilities. In addition, the Association shall enforce the restrictions of the easements and this Declaration applicable to the Common Areas and Facilities, and shall assess Owners for the costs of such enforcement.

3.4 Other Maintenance. Until such time as public maintenance of roads and utility lines has been assumed by the City, the Association shall be responsible for any such maintenance, and shall have the power to make assessments against the Owners, including the Owners of Lots that have not been improved with a Dwelling, for purposes of providing this service.

3.5 Assessments. The Association has the power to levy assessments against each Lot as necessary to carry out these functions. All assessments will be equal on all Lots, whether vacant or improved; provided, however, that assessments shall not be imposed on any Lots held by the Declarant for sale until such time as the Declarant sells, transfers and conveys Lots to third-party buyers. Assessments will be made annually to meet the anticipated and recurring costs, expenses and other expenditures of the Association including, but not limited to, the costs of maintenance, acquisition, repair and replacement of the Common Areas and Facilities, Parks and Open Spaces and Trails, liability insurance, any water for irrigation of areas within the control of the Association not provided by the City, reimbursement of expenses incurred by the Trustees and Architectural Committee in performance of their obligations, the costs of complying with and enforcing rights under this Declaration, and working capital, capital improvements and contingency reserves. Notice of the assessment and the proposed amount of the annual assessment will be given in advance along with the notice of the annual meeting of the Association, provided that the amount of the proposed assessment may be increased or decreased at the meeting in which it is approved by the Owners. The Association may also levy special assessments to cover unanticipated expenses or shortfalls. No special assessment will be levied without approval of a majority of a quorum of the Owners in attendance in person or by proxy at a meeting called for that purpose. Annual assessments shall be paid in equal monthly installments, which shall be due and payable on the first day of each month. If a monthly installment is not paid within five (5) days of the date on which it is due, the Owner shall be required to pay a late fee of \$25. The schedule for payments and the late fee may be changed by the Board of Trustees.

3.6 Assessments Constitute Lien; Mortgagee Protection. Any validly imposed assessment by the Association shall constitute a lien against the Lots in the Subdivision. The lien for an unpaid assessment shall be effective upon recordation in the office of the Salt Lake County Recorder of a written Notice of Lien by the Association. Unpaid assessments will bear interest from the date such assessments are due until paid in full at the greater of (i) eighteen percent (18%) per annum and (ii) the lawful judgment rate under applicable state law. The Association shall have the right to foreclose on that lien under the procedures available for the foreclosure of trust deeds in the State of Utah when any assessment remains unpaid for a period of more than sixty (60) days from the date the assessment was levied. Alternatively, if the lien is not foreclosed upon, it may be renewed from year to year by recording a new Notice of Lien, together with accumulated interest. The lien of the Association against any Lot shall have priority from the date that the first Notice of Lien on a specific Lot is recorded in the office of the Salt Lake County Recorder, and is subordinate to any previously recorded liens or encumbrances filed against that Lot, specifically including any purchase money mortgage or trust deed. Notwithstanding the lien rights of the Association, the obligation to pay assessments is a personal obligation of the Owner of each Lot, and the Association may proceed to collect against the Owner, or the prior Owner of any Lot (in the event of a sale) without any obligation to first take recourse against the Lot and Improvements to which the lien has attached. No mortgagee or beneficiary under a Trust Deed who takes title by foreclosure or non-judicial sale, or accepts a deed in lieu of foreclosure or non-judicial sale, shall be held liable for the unpaid assessments of the Owner whose Lot was acquired by the mortgagee or beneficiary under a Trust Deed.

3.7 Initial Assessment; Commencement of Annual Assessments. Each Owner shall be required to pay a one-time initial assessment of \$2,700, which shall pay the anticipated and recurring costs, expenses and other expenditures of the Association, and shall assist in the establishment of a reserve. Each Owner will then be exempt from paying a regular assessment until the one (1) year anniversary of such Owner's admittance to the Association.

3.8 Statement of Account. Any Owner may request the Association to provide a statement of his account to any lender or prospective buyer of that Lot showing the assessments to be paid in full, or the amount of any past due assessments. The buyer or lender for whom such a statement was prepared will be entitled to rely on its accuracy, and will not be held liable for any amounts not shown on the statement.

3.9 Indemnity of Association Trustees and Officers. The Association will indemnify the officers, agents and Trustees of the Association against any and all claims arising against them personally which are a result of the good faith exercise of the powers, duties and responsibilities of their office under this Declaration.

3.10 Election. Unless otherwise provided in the Bylaws of the Association, in the elections for members of the Board of Trustees, or any other matter which is presented to the Association, each Owner, including the Declarant, shall be entitled to cast one (1) vote for each Lot he or she owns. In the case of a Lot with multiple Owners, the Owners will agree among themselves how the vote applicable to that Lot will be cast, and if no agreement can be reached, no vote will be received from that Lot. Any of the multiple Owners appearing at the meeting in person or by proxy is deemed to be acting with proper authority for all of the other Owners of that Lot unless the other Owners are also present or have filed written objections to that Owner's representation of the other Owners of the Lot in question.

3.11 Notice of Election; Notice of Meeting. Unless otherwise provided in the Bylaws of the Association, notice of any meeting for the election of members to the Board of Trustees or for any other purpose shall be sent to the Owners at their last known address (which may be determined from the most recent property tax assessment if no other address is known). Notice will be mailed not less than 10 days,

nor more than 60 days in advance of the meeting. Any notice will state the purpose of the meeting, and the time, date and place of meeting. At any such meeting, a quorum will exist if the Owners of 51% of the Lots are present in person or by written proxy, and notice was properly given. Those present at the meeting may vote to continue the meeting to any date within 30 days. Notice of the continued meeting will be given by mail, and at the subsequent continued meeting, a quorum will consist of those members present. The Chairman of the Board of Trustees will give notice of any meetings, and will chair meetings of the Owners.

3.12 Special Meeting. When circumstances warrant, a special meeting of the Owners may be called as provided in the Bylaws. No business may be conducted at a special meeting without a full quorum of the Owners of 51% of the Lots being present in person or by written proxy.

3.13 Number of Trustees; Term of Office. Unless otherwise provided in the Bylaws of the Association, there shall be three (3) members of the Board of Trustees, who will serve for terms of three (3) years, or until their successors have been elected. At such time as the first Board of Trustees is named by election from among the Members, the Trustees will draw lots to divide themselves into terms of one, two and three years. Members of the Board of Trustees may serve consecutive terms. Declarant shall have the right to appoint the initial members of the Board of Trustees. At the time 50% of the Lots in all Phases are sold to persons other than the Declarant, one (1) Trustee will be elected by the Members. At the time that all Lots in all Phases are sold to persons other than the Declarant, or such earlier time as may be determined by the Declarant in its sole discretion, the two (2) Trustees appointed by the Declarant shall resign, and replacement Trustees will be elected by the Members.

ARTICLE IV

ARCHITECTURAL COMMITTEE

4. It is the intention and purpose of these covenants, conditions and restrictions to impose architectural standards on the Improvements to any Lot of a type and nature that result in improvements which are architecturally compatible in terms of Lot coverage, proportion, materials, colors, and general appearance, while at the same time allowing for diversity in style and design appropriate for a rural setting. To accomplish this goal, the Declarant hereby establishes the Architectural Committee, which is empowered to oversee and enforce the Architectural Design Standards set forth in this Declaration.

4.1 Architectural Committee Created. The Architectural Committee will consist of three (3) members, at least two of whom shall be members of the Board of Trustees of the Association. The initial Architectural Committee will consist of three (3) people appointed by the Declarant, who do not need to be Owners. At the time 50% of the Lots in all Phases are sold to persons other than the Declarant, one (1) member of the Committee will be elected from the Board of Trustees, other than a representative of the Declarant. At the time that all Lots in all Phases are sold to persons other than the Declarant, all of the members of the Architectural Committee will be elected by the Owners.

4.2 Approval by Committee Required. No Improvements of any kind, including without limitation the construction of any Dwelling, garage, out-building, parking area, driveway, tennis court, sport court, walkway, or other hard surfaced area in excess of 100 square feet, swimming pools, outdoor hot tubs or spas, fences, walls, curbs, poles, trampolines, satellite dishes or antenna, solar panels, or any other permanent structure may be constructed, erected, or installed in the Subdivision without the prior consent of the Architectural Committee. No excavation, grading, filling, draining, landscaping, or installation or removal of existing vegetation with an estimated cost of greater than \$500 shall be made

without the advance written consent of the Architectural Committee. Approval of the Architectural Committee will be sought in the following manner:

(a) Plans Submitted. Plans for the construction of any new Dwelling must be submitted to the Architectural Committee for review. It is recommended that a preliminary plan be submitted before the expense of final construction drawings is incurred. The plan must be in sufficient detail to show the location on the Lot of the exterior walls of the Dwelling and all other structures to be built with it; detailed drawings of all elevations of all buildings showing locations of windows, doors, roof pitches, decks and other exterior elements; a list of exterior siding and roofing materials and/or a sample, including color samples; and a landscape plan showing the location of landscaped areas, fences (including fence design), driveways, walkways, patios, decks and other hard surfaced or irrigated areas and the areas to be disturbed by construction and the means of restoring those areas. In the case of an addition or modification of an existing Dwelling, the Architectural Committee may waive any of the foregoing it feels are unnecessary to its review of the remodel or addition. All plans and specifications shall be consistent with the Architectural Design Guidelines.

(b) Review Fee. The applicant will pay a review fee to the Architectural Committee in an amount necessary to cover the costs of review and the administration of the program in an amount to be established from time to time by the Architectural Committee. The initial review fee, which may be adjusted from time to time by the Architectural Committee in its sole discretion, shall be \$300 for each new Dwelling to be built by an Owner-builder or non-approved contractor; \$150 for each new Dwelling to be built by an Approved Contractor; \$50 for each addition or remodel; or \$25 for construction that makes no structural changes. In addition, the Architectural Committee may assess a fee for the professional review of the plans in accordance with the provisions of Section 4.4 below. No fee will be accepted until the President of the Architectural Committee considers the submission complete.

(c) Review. Within fifteen (15) days from receipt of a complete submission, the Architectural Committee will review plans and make an initial determination whether or not the plans comply with the conditions imposed by the Declaration. If they do not, the plans will be rejected. If they are in compliance, the Architectural Committee will approve the plans. The Architectural Committee may also approve the plans subject to specific modifications or conditions, including, without limitation, requiring that the applicant submit a refundable deposit to the Architectural Committee in the amount of \$5,000, if the applicant intends to use a non-approved general contractor or intends to act as general contractor, and \$2,500, if the applicant intends to use an Approved Contractor (the "Construction Deposit") to ensure compliance with the provisions set forth in Article VII. Owners may desire to submit preliminary plans for review. The Architectural Committee will review preliminary plans, without fee, and make its comments known to the Owner; provided, however, that no preliminary approval is to be considered a final approval, and no final approval will be granted on less than a complete submission. Upon approval, the Architectural Committee and the Owner will each sign a copy of the plans, which shall be left with the Architectural Committee. No construction that is not in strict compliance with the plans approved will be permitted.

(d) Written Record. The Architectural Committee will maintain a written record of its actions, and maintain in its files a copy of all plans approved or rejected for a period of five (5) years. The Architectural Committee will also provide evidence of this approval for the City if requested by the Owner.

(e) Failure to Act. If the Architectural Committee has not approved or rejected any submission within forty-five (45) days after payment of the review fee and submission of complete plans, the submission is deemed to have been approved.

4.3 Variances. Variances to the Architectural Design Guidelines or design standards contained in this Declaration may be granted when strict application would create an unforeseen or unreasonable hardship to the Owner of any Lot. During the period in which Declarant controls the Architectural Committee, the Architectural Committee shall have the authority to grant variances without approval of the Owners. After Declarant has turned control of the Architectural Committee over to the Association, no variance of any kind may be granted without the consent of at least 50% of the Owners in the Subdivision at a meeting called for that purpose. The Architectural Committee, or the Owners as a whole, cannot grant any variance that has the effect of modifying applicable City zoning or building code regulations. The burden of obtaining a variance is entirely on the applicant, including the costs of notice.

4.4 Costs of Professional Review. The Architectural Committee may engage the services of an architect, or civil or structural engineer to assist in its review of any proposed Improvements on a case-by-case basis or may elect to require the review of a design professional for every application. All costs of such additional review will be paid by the applicant; provided, however, that no architect or engineer will be hired without advance notice to the applicant of the intention to hire a review architect or engineer and the estimated cost of that review. The costs of such review must be paid by the applicant prior to the commencement of any review. If the applicant does not withdraw the proposal within five (5) days after receipt of that notice, he is deemed to have consented to the Architectural Committee retaining such professional assistance. Whenever the Architectural Committee retains outside professional services in its review, the reviewing architect or engineer is acting only in an advisory capacity, and the applicant, for himself and his successors and assigns, waives any and all claims against the Architectural Committee in the event that advice from, or conditions imposed by, the reviewing professional prove ineffective, unnecessary, or inappropriate to the circumstances.

4.5 General Design Review. The Architectural Committee will use its best efforts to provide a consistent pattern of development, and consistent application of the standards of the Architectural Design Guidelines and of this Declaration. These standards are, of necessity, general in nature, and it is the Architectural Committee's responsibility to apply them in a manner that results in a high quality, attractive, and well-designed community. In deciding whether to approve or disapprove plans and specifications submitted to it, the Architectural Committee shall use its best judgment to insure that all Improvements on Lots within the Subdivision conform to and harmonize with the Architectural Design Guidelines, existing surroundings and structures, and that such proposed Improvements enhance the value and aesthetics of the Subdivision.

4.6 Declarant, Trustees and Committee not Liable. The Declarant, the Trustees, and the Architectural Committee and its members shall not be liable to the applicant for any damages, or to the Owners of any Lots within the Subdivision for their actions, inactions, or approval or disapproval of any set of plans submitted to the Architectural Committee for review. In the absence of bad faith or malicious actions, the Owners shall have no claim against the Declarant, the Association, the Trustees or Architectural Committee as a result of the performance or failure to perform the duties created by this Declaration. Each Owner has the right to enforce these covenants against every other Owner.

4.7 Limitations on Review. The Architectural Committee's review is limited to those matters expressly granted in this Declaration. The Architectural Committee shall have no authority over the enforcement of building codes, zoning ordinances, or other statutes, laws, or ordinances affecting the development or improvement of real property and shall have no liability to any Owner whose plans were approved in a manner that included any such violation. Corrections or changes in plans to bring them into conformity with applicable codes must be approved by the Architectural Committee prior to construction.

4.8 Approval of Contractor. In order to provide better assurances that the provisions of this Declaration will be carried out during the construction and improvement of Lots, Declarant has reserved the right to approve the identity of those individuals and/or companies who may act as a general contractor on behalf of an Owner in the construction of a Dwelling or other Improvements to be located upon a Lot within the Subdivision, all in accordance with the terms herein contained. Declarant may delegate the right to approve such general contractors on a lot-by-lot basis to the Architectural Committee. The Declarant, or, if applicable, the Architectural Committee, shall maintain a list of Approved Contractors. In order to obtain status as an Approved Contractor, a general contractor shall be required to submit a portfolio and provide all information requested by the Declarant.

(a) Approved Contractors. Each Owner covenants and agrees by accepting title to a Lot, that such Owner shall use only an Approved Contractor as Owner's contractor for the construction of a Dwelling and related Improvements upon a Lot located within the Subdivision. In the event that Owner is unable to obtain the approval of Declarant or the Architectural Committee, as applicable, for Owner's contractor, Owner may nevertheless be permitted to use the services of such general contractor upon the payment of a non-refundable deposit of Five Thousand Dollars (\$5,000) with the Association, as provided in Section 4.8(b), which amount hereof may be used by the Association to hire one or more consultants to monitor the Owner's and such unapproved general contractor's compliance with the requirements of this Declaration and to otherwise assure the Association that Owner and such unapproved general contractor shall comply with the objectives of Section 4.8(b). In the event that such deposit is not sufficient to cover the Association's costs of monitoring construction or otherwise requiring compliance with the objectives of Section 4.8(b), the Owner shall be responsible for any additional costs.

(b) Construction Commencement. No person shall commence construction of any Dwelling or other Improvement until any and all such bonds, security deposits and letters of credit have been properly posted with the Architectural Committee. and the Owner has delivered the Construction Deposit described in Section 4.8(a) to the Architectural Committee.

4.9 Bluffdale City Approval. The powers and approvals of the Architectural Committee shall be subject to the powers and approvals of Bluffdale City and/or Salt Lake County.

ARTICLE V

USE RESTRICTIONS ON ALL LOTS

5. The following restrictions on use apply to all Lots within the Subdivision:

5.1 Zoning Regulations. The lawfully enacted zoning regulations of Bluffdale City, and any building, fire, and health codes are in full force and effect in the Subdivision, and no Lot may be occupied in a manner that is in violation of any such statute, law, or ordinance.

5.2 No Mining Uses. The property within the Subdivision shall be used for residential purposes only, and no mining, drilling, prospecting, mineral exploration or quarrying activity will be permitted at any time.

5.3 Limited Business or Commercial Uses. No portion of the Subdivision may be used for any commercial business use; provided, however, that nothing in this provision is intended to prevent any Owner from maintaining a home office for personal use or a home-based business such as a one-chair

beauty salon that does not generate a significant amount of traffic or require more than one employee who is not a member of the Owner's immediate family. An Owner must obtain a business license from the City and observe all rules and regulations imposed by the City and/or the Association in order to operate a home-based business.

5.4 Restrictions on Signs. The Subdivision may be identified on one or more signs to be permanently maintained at the Subdivision entrance. No signs will be permitted on any Lot or within the Subdivision, except for traffic control signs placed by the City or at the direction of the Association, temporary signs warning of some immediate danger, or signs not in excess of six square feet identifying the contractor and/or architect of any Dwelling unit while it is under construction. Signs indicating the Lot is for sale may be placed in accordance with City sign regulations, and no such sign may exceed three square feet. The Declarant may erect a sign at the entrance to the Subdivision announcing the availability of Lots and giving sales information. No permanent signs stating the address or the name of the Owner of the Lot may be installed without the advance consent of the Architectural Committee.

5.5 Completion Required Before Occupancy. No Dwelling may be occupied prior to its completion and the issuance of a certificate of occupancy by the City. In addition, the Architectural Committee may bar occupation of a Dwelling if garage doors or other exterior features have not been completed.

5.6 Dwelling to be Constructed First. No garage, storage unit, or other out-building may be constructed prior to the construction of the Dwelling on the Lot.

5.7 Animals. The following types of animals are prohibited on the Lots: large animals or farm animals such as cows, pigs/hogs, horses, goats, sheep, chicken, pheasants or similar fowl. Ordinary household pets are permitted. Notwithstanding the foregoing, two (2) horses may be maintained on each Horse Lot in strict accordance with Article XIII below.

5.8 Underground Utilities. All gas, electrical, telephone, television, and any other utility lines in the Subdivision are to be underground, including lines within any Lot which service installations entirely within that Lot.

5.9 Service Yards. There shall be no clothes lines, service yards, or storage yards. No mechanical equipment may be maintained outside of garages.

5.10 Maintenance of Property. All Lots, and the Improvements on them, shall be maintained in a clean, sanitary, attractive and marketable condition at all times. No Owner shall permit his Lot or the Improvements on it to fall into disrepair.

5.11 No Noxious or Offensive Activity. No noxious or offensive activity shall be carried out on any Lot, including the creation of loud or offensive noises or odors that detract from the reasonable enjoyment of nearby Lots.

5.12 No Hazardous Activity. No activity may be conducted on any Lot that is, or would be considered by a reasonable person to be unreasonably dangerous or hazardous, or which would cause the cancellation of a conventional homeowners insurance policy. This includes, without limitation, the storage of caustic, toxic, flammable, explosive or hazardous materials in excess of those reasonable and customary for household uses, the discharge of firearms or fireworks, and setting open fires (other than properly supervised and contained barbecues or fires within a properly installed fire pit).

5.13 No Unsightliness. No unsightliness is permitted on any Lot. This shall include, without limitation, (i) the open storage of any building materials (except during the construction of any Dwelling or addition); (ii) open storage or parking of farm or construction equipment, trucks larger than pick-up trucks or inoperable motor vehicles; (iii) outdoor parking of boats, trailers, motor homes, camper shells, campers or other types of recreational vehicles or equipment for longer than a two-day period (i.e., one day before or after use for loading or unloading and cleaning); (iv) accumulations of lawn or tree clippings or trimmings, except as stored in tight containers in an enclosure such as a garage; (v) accumulations of construction debris or waste; (vi) storage or maintenance of household refuse or garbage except as stored in tight containers in an enclosure such as a garage; (vii) the placement of lawn or garden furniture in areas visible to public streets except during the season of use or under covered decks or patios; and (viii) the storage or accumulation of any other material, vehicle, or equipment on the Lot in a manner that it is visible from any other Lot or any public street. Failure to observe the restrictions of this Section 5.13 may result in the imposition of fines or other penalties under the Compliance Procedures. All boats, trailers, motor homes and other recreational vehicles shall be stored in enclosed garages within the Building Pad.

5.14 No Annoying Lights. Any outdoor lighting shall be subject to approval by the Architectural Committee, and no outdoor lighting shall be permitted except for lighting that is designed to aim downward and limit the field of light to the confines of the Lot on which it is installed. This shall not apply to street lighting maintained by the City. Lighted tennis or sports courts are permitted, provided that the Owner does not operate such lights after 12:00 a.m.

5.15 No Annoying Sounds. No speakers or other noise making devices may be used or maintained on any Lot which create noise that might reasonably be expected to be unreasonably or annoyingly loud from adjoining Lots, except for security or fire alarms.

5.16 Sewer Connection Required. All Lots are served by sanitary sewer service, and no cesspools, septic tanks, or other types of waste disposal systems are permitted on any Lot. All Dwellings must be connected to the sanitary sewer system.

5.17 Fuel Storage. All fuel, oil, gasoline, propane, or other fuel storage tanks must be placed indoors or screened from view of other Lots or public streets. Dwellings shall be heated with natural gas, solar, or electric heat.

5.18 Drainage. No Owner shall alter the direction of natural drainage from his Lot, nor shall any Owner permit accelerated storm run-off to leave his Lot without first using reasonable means to dissipate the flow energy.

5.19 Vehicles Restricted to Roadways. No motor vehicle will be operated on the Subdivision except on improved roads and driveways. No snowmobiles or motorcycles will be operated on any Lot except for ingress and egress or while loading the equipment for lawful transport on public streets. The operation of any vehicle on the Parks and Open Space or Trails is strictly prohibited, even during periods of construction, provided that the Association and public agencies may use vehicles and equipment in conducting authorized maintenance activities on the Parks and Open Space.

5.20 Kennels. No kennel or dog run may be placed closer than fifty (50) feet to any Dwelling other than that of the Owner of the kennel. No wire fencing shall be allowed which is unscreened from the view of adjoining Lots.

5.21 No Transient Lodging Uses. The Lots are to be used for residential housing purposes only, and shall not be rented in whole or in part for transient lodging purposes, boarding house, “bed and breakfast,” or other uses for providing accommodations to travelers. No lease of any Dwelling on a Lot shall be for a period of less than thirty (30) days. No Dwelling on a Lot shall be subjected to time interval ownership. Owner shall provide any renter a copy of this Declaration and shall ensure such renter’s compliance therewith. In the event that a renter fails to comply with the terms of this Declaration, the Association may seek redress from the Owner.

5.22 No Re-Subdivision. No Lot may be re-subdivided.

5.23 Combination of Lots.

(a) Authority to Combine Lots. Subject to the provisions of this Declaration and the limitations set forth in this Section, any Owner may combine two or more adjoining Lots within the Subdivision.

(b) Dwelling Placement. The square footage of the living area in the Dwelling on the combined Lots should be concentrated at the center of the combined Lots, and should not be placed entirely, or predominately, on one of the Lots.

(c) Combination Deemed Permanent. The combination of Lots is deemed to be permanent and the Lots may not be independently sold once construction has commenced on the Improvements for the combined Lot. The Owner of any Lots that have been combined will execute and deliver to the Architectural Committee a notice in recordable form, containing the name of the Owner and the legal description of the Lots combined, which Notice will state that the two Lots have been combined and cannot subsequently be subdivided. The Architectural Committee shall record this Notice with the Salt Lake County Recorder upon the commencement of construction of the Dwelling on the combined Lots. The Owner shall pay the costs associated with recordation of the Notice.

5.24 Parking. There shall be no parking of vehicles on streets within the Subdivision. Violators may be towed by the Association at their own expense.

5.25 Exception for Declarant. Notwithstanding the restrictions contained in this Article V and Article VI, for the seven (7) years following the date on which this Declaration is filed for record in the office of the Salt Lake County Recorder, or seven (7) years following the date on which an Amendment is filed for record in the office of the Salt Lake County Recorder, Declarant shall have the right to use any Lot or Dwelling owned by it on the Property or in any subsequent Phase in furtherance of any construction, marketing, sales, management, promotional, or other activities designed to accomplish or facilitate improvement and/or sale of all Lots owned by the Declarant.

ARTICLE VI

ARCHITECTURAL RESTRICTIONS ON IMPROVEMENTS

6. All Improvements on any Lot shall be subject to the following restrictions and architectural design standards:

6.1 Number of Dwellings. Only one Dwelling may be constructed on any Lot. All Dwellings shall have an attached garage for at least three (3) cars. No other storage building, outbuilding or

habitable structure may be permitted on any Lot without the prior written approval of the Architectural Committee.

6.2 Dwelling, Size. The minimum allowable Dwelling size for each Lot in the Subdivision, stated as allowable Floor Area including all horizontal floor areas on all levels of the Dwelling that are under roof, and that are enclosed by walls on three or more sides (excluding porches, balconies and decks), is as follows:

(a) Single level structures shall contain a minimum of 2,250 square feet on the ground-level or main floor (excluding the garage area).

(b) Two level structures shall contain a minimum of 3,600 square feet (excluding the garage area and basement), and the main floor shall contain a minimum of 2,000 square feet (excluding the garage area). However, if the main floor contains a minimum of 2,250 square feet (excluding the garage area), then there shall be no requirement for additional above-ground square feet.

(c) Horizontal wall elevations and vertical wall elevations on two level structures shall be required to be broken up with architectural elements and physical breaks in the facade.

(d) In no case shall a vertical wall extend without setback or variation more than the height of two stories above existing grade plus the height of a clear story space.

6.3 Dwelling Setback and Placement. All portions of the Dwelling are to be within the Building Pad (i.e., the minimum front, rear and side yard setbacks as shown on the Plat) or as required by Bluffdale City.

6.4 Dwelling Height. No structure on any Lot may exceed thirty-five (35) feet in height as measured at the natural grade on the Lot prior to construction, to a point half way between the eaves and the ridge line of the roof.

6.5 Roof Design. Roof pitches must be within a range of an 8/12 or greater slope. Eaves and roofs must overhang by at least 16 inches. All roofing shall consist of 30 year or heavier architectural grade asphalt shingles. The Architectural Committee may, in its sole discretion, approve other roofing materials as new roofing material products are developed. Mansard, fake mansard, A-frame (except on entry ways or porches), gambrel, flat, and curvilinear roof designs are prohibited. All fascia boards must be at least 6 inches in width. All roof metal such as flashing, vent stacks, gutters and chimney caps will be made of anodized aluminum or galvanized metal painted to match the adjoining roof color.

6.6 Siding Materials. Unless specifically approved by the Architectural Committee, only the following exterior wall surface materials are allowed: stone, brick and stucco without “tudor” wood breaks. The amount of rock or brick shall not be less than 70% of the exterior wall surface and the amount of stucco utilized shall not exceed 30% of the exterior wall surface. The Architectural Committee may, in its sole discretion, approve other siding materials in addition to the siding materials specified in this paragraph. Textured plywood, metal or similar manufactured siding materials are prohibited. Exterior wall colors must harmonize with the site and surrounding buildings. The predominant tone should be earth tone, whether in the natural color or patina of the weathered color of the wall surface itself or the color of the stain or other coating. Fascia and trim shall also remain in the earth tone spectrum.

6.7 Windows/Window Treatments. Windows must be either wood, colored aluminum clad wood, or vinyl clad. All windows must be at least double glazed. Any trapezoidal windows must follow the shape of the walls or roofs surrounding them, with the top parallel to the above roof, and the bottom horizontal or parallel to a roof structure below it. No mirrored or reflective glass may be used. The Architectural Committee may, in its sole discretion, approve other types of windows as additional types of acceptable windows are developed. The exterior facing of any draperies or window treatments must be white, off white or earth tone colors.

6.8 Chimneys, Vents. Chimneys must be enclosed in rock, brick or stucco. No exposed metal flues are permitted. All chimney tops on any Dwelling must be of identical design. Vent stacks must be combined to the extent possible to minimize the number of roof penetrations, and should generally not be visible from the street.

6.9 Antennas; Solar Equipment. All antennas must be enclosed within the Dwelling. Any satellite dishes in excess of 24 inches in diameter must be located and screened in a manner approved in advance by the Architectural Committee so that they are not directly visible from adjoining Lots. Solar panels will be permitted only with the consent of the Architectural Committee, and if permitted at all, must lie flat against the roof and may not differ in pitch or color from the roof surface on which they are mounted.

6.10 No Used or Temporary Structures. No previously erected, used, or temporary structure, mobile home, trailer house, or any other non-permanent structure may be installed or maintained on any Lot.

6.11 Balconies and Decks. Any balcony or deck that is more than twenty-four inches above the natural grade must be constructed in compliance with the following: All posts or pillars supporting any deck must be a minimum of ten inches in width, including vertical members in railings. The area under any deck shall not be used for storage of equipment, firewood, building material, or similar material. The underside of any deck more than three feet above grade must be finished with aluminum or vinyl soffit in matching colors.

6.12 Fire Sprinklers. Dwellings may be equipped with an automatic fire sprinkler system in accordance with the ordinances of Bluffdale City and/or Salt Lake County or, in the absence of an ordinance, not provided.

6.13 Garage Doors. All garage doors shall be installed prior to occupancy and may maintain the likeness and appearance of wood or other materials approved by the Architectural Committee. All garage doors shall be of earth tone colors to complement the exterior colors selected.

6.14 Paving. Driveways and other paved areas, including their location, are part of the design review process and are subject to review and approval by the Architectural Committee. Driveway and other flat paved areas generally may be composed of concrete, exposed aggregate concrete, stamped concrete, quarry tile, brick or paving blocks. Gravel driveways are not permitted. Asphalt driveways are permitted only in side yards for outbuildings.

6.15 Pools, Spas, Fountains, Gamecourts, Etc. Pools, spas, fountains, gamecourts, children's play sets, etc. shall be approved by the Architectural Committee and shall be located to avoid impacting adjacent properties with light or sound. No gamecourt shall be located in front or side yards. Pool heaters and pumps must be screened from view and sound insulated from neighboring houses.

Children's play sets shall not exceed fifteen (15) feet in height. Nothing herein shall be construed as permitting the construction of skateboard areas and/or ramps, which structures shall be prohibited.

6.16 Mailboxes. Each Owner shall install and maintain a brick or rock mailbox at a location approved by the United States Postal Service, and in a design approved by the Architectural Committee.

6.17 Mechanical Equipment. All air conditioning, heating equipment, and soft water tanks must be screened from view and insulated for sound attenuation. Air conditioning units are not permitted on roofs or through windows unless screened from view and approved by the Architectural Committee. Swamp coolers are not permitted.

6.18 Metal Awnings. Metal awnings, metal "lean-tos", or metal patio covers shall not be permitted on any Lot.

ARTICLE VII

CONSTRUCTION COVENANTS

7. In order to minimize the inconvenience to adjoining Owners during periods of construction within the Subdivision, the following construction regulations shall be enforced. These regulations shall be made a part of the construction contract between the Owner and the builder of each Dwelling or other Improvements on a Lot. The Owner shall be bound by these regulations, and violations committed by the builder or its employees, sub-contractors or others shall be deemed a violation by the Owner for which Owner is liable.

7.1 Pre-Construction Conference. Prior to the commencement of construction, the Owner and builder will meet with the Architectural Committee to review these regulations and coordinate the construction activities within the Subdivision. At the conference, or prior to the Architectural Committee granting its approval, the Owner or builder must supply a construction site plan showing the location of material storage areas, the portable toilet, any construction office or trailer, and the trash dumpster. This plan must be approved by the Architectural Committee prior to the commencement of construction.

7.2 Portable Office or Trailer. Any builder who desires to bring a portable office or trailer on to a Lot shall first apply for and receive written approval from the Architectural Committee. The Architectural Committee will work closely with the builder and Owner to determine the best possible location for the portable office. The portable office will be located in a location approved by the Architectural Committee and within the Owner's Lot. The temporary office may not be installed prior to the commencement of construction, and must be removed upon the first to occur of (1) the issuance of a Certificate of Occupancy, (2) the termination, expiration, or cancellation of the Building Permit, (3) the suspension of construction activities for a period of sixty (60) days, or (4) one (1) year after the commencement of construction. The temporary office cannot be used to house any workers or to provide overnight accommodations for Owner or any individual(s) working on the Dwelling or the Lot.

7.3 Construction Debris Removal. The builder must comply with City ordinances requiring the placement and maintenance of a trash container or dumpster on the Lot. The builder shall collect trash as it is generated during construction, and deposit construction trash, packing material, unusable scraps, and other debris in a suitable container protected from the wind and regularly serviced. No trash may be burned, buried, or otherwise disposed of within the Subdivision. Concrete trucks must be cleaned out on the Owner's Lot, and not elsewhere within the Subdivision. Declarant will strictly enforce this provision. Any violation of this provision shall result in the imposition of a fine in the amount equal to the greater

of (i) \$100 per infraction or (ii) Declarant's actual cost to cure the builder's infraction. The amount of the fine shall double with each subsequent violation of this provision. All fines shall be deducted from the Construction Deposit.

7.4 Construction Area Appearance. The Lot must be maintained in a reasonably organized and neat condition at all times during the construction of a Dwelling or other Improvements. Once the Dwelling is enclosed, materials shall be stored inside, and out of sight, whenever practical and possible.

7.5 Sanitary Facilities. The builder is responsible for the installation and maintenance of an approved portable toilet facility during construction. The portable toilet must be located on the Lot at a location approved by the Architectural Committee, and removed from the site at such time as the permanent plumbing system is operational.

7.6 Construction Parking and Vehicles. Construction crews must park their vehicles on the Lot on which they are working or in a manner that does not restrict the free flow of traffic within the Subdivision.

7.7 Construction Sign. During periods of actual construction on the Dwelling, the Owner or builder may install a sign not to exceed six square feet in area identifying the Lot and the builder with the prior written consent of the Architectural Committee. The sign must also comply with any signage ordinances enacted by City after the date of this Declaration. The sign must be removed upon completion or abandonment of construction.

7.8 Hours of Work. The builder will be permitted to work such hours as builder may designate, unless otherwise restricted by Bluffdale City ordinances. The builder is responsible for controlling noise emanating from the site.

7.9 Soil Conservation, Dust. At all times when the surface of the Lot is disturbed by construction activity, and re-vegetation has not been completed, the builder shall practice reasonable dust, sedimentation and erosion control measures as described in the USDA Soil Conservation Service Guidelines.

7.10 Removal of Mud. The builder is responsible for cleaning up and removing mud from the construction site that is deposited on the roadways of the Subdivision. The builder's failure to regulate this matter will result in the imposition of a fine in the amount equal to the greater of (i) \$100 per infraction or (ii) Declarant's actual cost to cure the builder's infraction. The amount of the fines shall double with each subsequent violation of this provision. All fines shall be deducted from the Construction Deposit.

7.11 Duration of Construction. No construction shall be undertaken without a Building Permit and all other necessary permits from the City, Salt Lake County, South Valley Sewer District and any other governmental or quasi-governmental entity having jurisdiction over construction on the site. No materials, tools, temporary offices or portable toilets, excavation or construction equipment, or similar materials or equipment may be delivered to this site prior to the issuance of the Building Permit. It is the obligation of the Owner to proceed with construction with all reasonable speed once construction has commenced, and in any event, all exterior surfaces of a Dwelling or any other building shall be substantially complete within a period of one (1) year following commencement of construction. The front, side and back yards of each Lot shall be landscaped within a period of ten (10) months following completion or occupancy of a Dwelling; provided, however, that if completion or occupancy of a Dwelling occurs during winter and such weather conditions preclude the installation of landscaping, such

landscaping shall be completed not later than July 1 following such winter. The Owner shall be required to pay Declarant a landscaping deposit in the amount of \$2,500 upon acquiring his Lot (the "Landscaping Deposit"). If the Owner fails to complete his landscaping within the time period set forth herein, the Owner shall forfeit his Landscaping Deposit. Declarant shall release to the Owner the Landscaping Deposit upon the Owner's timely completion of all landscaping on his Lot.

7.12 Commencement of Construction. The Owner shall commence construction of a Dwelling within eighteen (18) months of the date on which the Owner's Lot was conveyed by Declarant to a third-party. If the Owner fails to commence construction within such time period, Declarant can impose a penalty in the amount of \$2,500. If the Owner fails to pay such penalty, Declarant may place a lien on the Lot, and collection interest on the unpaid amount at a rate of eighteen (18%) per annum until paid.

7.13 Subdivision Improvements Deposit. Concurrent with an Owner's purchase of a Lot from Declarant, Owner shall be required to deliver to Declarant a Subdivision Improvements deposit in the amount of \$2,500 (the "Subdivision Improvements Deposit"). Declarant may use the Subdivision Improvements Deposit to pay for any damage caused to the Subdivision Improvements or another Lot in the construction of the Owner's Dwelling or other Improvements. Declarant shall release to the Owner the unused portion of the Subdivision Improvements Deposit upon completion of the warranty period for the Subdivision Improvements and the City's release of Declarant's warranty bond for such Subdivision Improvements.

ARTICLE VIII

LANDSCAPE STANDARDS

8. Water is a precious resource in the Salt Lake desert environment, and careful planning should be given to the water demands created by landscaping of Lots. Water needs will vary substantially for different kinds of plantings, and fees for water connections are based in part on the anticipated water demand. It is the intent of this Declaration to require appropriate landscaping of Lots following construction of any Improvements, and to encourage the use of appropriate drought tolerant plant materials. The use and Improvement of each Lot is subject to the following landscape standards:

8.1 Landscaping Required. The front, back and side yards shall be landscaped within a period of ten (10) months following completion or occupancy of a Dwelling; provided, however, that if completion or occupancy of a Dwelling occurs during winter and such weather conditions preclude the installation of landscaping, such landscaping shall be completed not later than July 1 following such winter. The Owner may plant lawns and gardens, plant shrubbery, trees or other ornamental plantings or replace natural species. If the Owner fails to timely complete the landscaping, the Owner shall forfeit the Landscaping Deposit.

8.2 Drought Tolerant Plants Recommended. The use of drought tolerant species of grasses, shrubs, and trees is strongly recommended. The Association shall obtain from the City or prepare a list of drought tolerant species suitable for different exposures within the Salt Lake County area. The majority of the landscaped area of each Lot is to be planted with species from the list maintained by the Association for this purpose.

8.3 Declarant's Tree Planting. Declarant shall plant two (2) trees in the park strip in front of each Lot. Each Owner shall pay Declarant \$600 for such trees at the time the Owner acquires his Lot from Declarant. The Owner shall not place any other trees in the park strip.

8.4 Placement of Trees. Planting of a minimum of 6 (six) trees within Lots is required, provided that the location of trees will be subject to review by the Architectural Committee so that unobstructed view corridors from adjoining Lots are preserved as much as possible. At least one third of the trees shall be conifers of a height of at least 6 feet. Two thirds of the trees may be deciduous trees of at least 2 inch caliper. The planting shall occur on at least three sides of the house, wrapping the home in trees.

8.5 Sprinkler Systems. Permanent underground sprinkler systems are required within any lawn area to provide irrigation during revegetation and beyond. Outside of any lawn areas, sprinkler systems may be used as necessary to establish healthy growth of plants which may not require long term irrigation. Sprinkler systems must have a cleaning filter installed, a back flow preventer and such other features required by relevant City ordinances.

8.6 Fences. Fencing of Lots along the Lot line shall be permitted in the Subdivision only as allowed by the Association. Declarant, at its expense, will install a six-foot masonry fence along the rear boundary of the Lots that border the perimeter of the Subdivision or the Welby-Jacobs canal. Each Owner of a Lot that contains a fence along its rear boundary as described in the preceding sentence hereby agrees to permit the construction and maintenance of such fence. The fence, once installed by the Declarant, shall be maintained in good condition and repair by the Owners of the Lots on which the fence is located. The precise area to be fenced on any Lot shall be subject to advance approval by the Architectural Committee. No chain link or other wire fencing is permitted. The Architectural Committee shall maintain approved fence designs and elevations for use by Owners as part of the design guidelines adopted by the Architectural Committee. Declarant has established the initial fence designs, which are attached hereto as Exhibit F. No fencing shall occur in the front yard area of any home.

8.7 Driveway Access. Individual driveway accesses to each Lot must be approved by the Architectural Committee as part of the site plan of the Lot. Driveways shall be wide enough to permit three cars to be parked side by side in front of the garage entrance.

ARTICLE IX

TRAIL SYSTEM

9. The Declarant has designated trail corridors through the Subdivision as shown on the Plat. The Trails are for the use and benefit of Owners of the Subdivision and the general public. Moreover, the Trails may connect with future trails in adjacent areas. The Trails will be maintained by the Association. The use of the Trails within the Subdivision is subject to the following:

9.1 Open Corridor, No Cross Fencing. The trail system is to have free passage through the Subdivision, and no Owner shall block the trail with gates or cross fencing, or otherwise impede the use of the Trails.

9.2 No Motorized Uses. The trail system is intended for pedestrian, roller blade and bicycle use only. No motorized vehicles of any kind, including snowmobiles and motorcycles, shall be used or operated in the trail easement at any time. The only motorized vehicles permitted are authorized construction or maintenance vehicles or equipment engaged in the construction or maintenance of the Trails.

9.3 Other Improvements. No structures of any kind are permitted within the trail corridors with the exception of directional signs approved by the Architectural Committee. The trail corridors may

parallel a public utility corridor, and within the trail, underground utility facilities may be constructed, operated, and maintained.

ARTICLE X

PARKS AND OPEN SPACE

The Declarant has designated certain areas within the Subdivision as Parks and Open Space. The park located at the northeast corner of the Subdivision near the main entrance is for the use and benefit of Owners of the Subdivision and the general public. The open spaces along the Trails or streets are for the use and benefit of Owners of the Subdivision and the general public. However, the park and recreation area located in the center of the Subdivision near the roundabout known as Parcel C – Park/Pond on which Declarant shall construct a sportcourt, clubhouse and other amenities, shall be for the sole and exclusive use of the Owners of Lots in the Subdivision and their permitted guests (the “Private Park Area”). Declarant and/or the Association shall have the right to place a fence around all or a portion of the Private Park Area. Each Owner and its permitted guests shall be required to observe the rules for use of the Private Park Area that may be established by Declarant or the Association. Declarant shall convey the Parks and Open Space to the Association, and the Association shall maintain such Parks and Open Space. The easement granted to the Owners to use the Common Areas and Facilities or Trails under this Declaration is subject to the right of Bluffdale City and any other governmental or quasi-governmental body having jurisdiction over the Property, to enjoy access and rights of ingress and egress over and across any street or driveway, parking area, walkway, or open area contained within the Common Areas and Facilities or Trails for the purpose of providing police and fire protection and providing any other governmental or municipal service.

ARTICLE XI

OWNERS’ MAINTENANCE OBLIGATIONS

11. It is the obligation of each Owner to maintain his Lot at all times in order to preserve and enhance the enjoyment of the Subdivision:

11.1 **Duty to Maintain.** It is the obligation of the Owner of each Lot to maintain his Lot and the Improvements to the Lot in a good state of repair and in an attractive, safe, and healthy condition.

11.2 **Repair by Association.** In the event that an Owner permits his Lot or Improvements to fall into a state of disrepair that is dangerous, unsafe, unsanitary, or unsightly or fails to comply with any other covenant or restriction in violation of this Declaration, the Association may give written notice to the Owner describing the condition complained of and demanding that the Owner correct the condition within thirty (30) days. If the Owner fails to take corrective action, the Association shall have the right, but not the obligation, to enter upon the offending Owner’s Lot and take corrective action to abate the condition. All costs of abatement shall be charged to the Owner, who agrees to promptly pay the reasonable costs of any work performed under this provision. In addition, each Owner hereby grants to the Association a lien on the Lot and any Improvements to secure repayment of any sums advanced pursuant to this Section, which lien may be foreclosed at any time by the Association in the manner prescribed in Utah for the foreclosure of trust deeds. Alternatively, without requiring foreclosure, the Association may seek collection of sums advanced directly from the Owner of the Lot in question. Unpaid amounts will bear interest from the date advanced at the greater of (i) eighteen percent (18%) per annum and (ii) the lawful judgment rate under applicable state law.

11.3 Alterations of Exterior Appearance. The Owners will maintain their Lots and Improvements in substantially the same condition and appearance as that approved by the Architectural Committee. No subsequent exterior alterations, improvements or remodeling, whether structural or changes in landscaping, paint color or siding or trim materials will be made without the advance consent of the Architectural Committee.

11.4 Repair Following Damage. In the event of casualty loss or damage to the Improvements, the Owner will be entitled to reconstruct the Improvements as they existed prior to the damage or loss without review by the Architectural Committee; provided, however, that alterations or deviations from the originally approved plans will require review. Nothing in this Declaration is intended to prevent an Owner who has suffered property damage or loss from taking temporary measures to secure the property and prevent further damage, or to prevent injury or dangerous conditions following loss or damage, before reconstruction begins. Such temporary measures may be taken without the consent or approval of the Architectural Committee, provided that any such measures must be of a temporary nature, and repair or reconstruction must begin as soon as circumstances will permit. No damaged structure will be permitted to remain on any Lot for more than ninety (90) days without repairs commencing, and any damaged structure which does remain un-repaired after ninety (90) days following the occurrence of damage is deemed a nuisance which may be abated by the Association.

ARTICLE XII

GENERAL PROVISIONS

12. The covenants, conditions, easements and restrictions contained in this Declaration may be enforced as follows:

12.1 Violation Deemed a Nuisance. Any violation of these Covenants which is permitted to remain on the property is deemed a nuisance, and is subject to abatement by the Association or by any other Owner.

12.2 Remedies.

(a) Any single or continuing violation of the covenants contained in this Declaration may be enjoined in an action brought by the Declarant (for so long as the Declarant is the Owner of any Lot), by any other Owner, or by the Association in its own name. In any action brought to enforce these covenants, the prevailing party shall be entitled to recover as part of its judgment the reasonable costs of enforcement, including attorney's fees and court costs.

(b) Nothing in this Declaration shall be construed as limiting the rights and remedies that may exist at common law or under applicable federal, state or local laws and ordinances for the abatement of nuisances, health and safety, or other matters. These covenants are to be construed as being in addition to those remedies available at law.

(c) The remedies available under this Declaration and at law or equity generally are not to be considered as exclusive, but rather as cumulative.

(d) The failure to take enforcement action shall not be construed as a waiver of the covenants contained in this Declaration in the future or against other similar violations.

12.3 Severability. Each of the covenants contained in this Declaration shall be independent of the others, and in the event that any one is found to be invalid, unenforceable, or illegal by a court of competent jurisdiction, the remaining covenants shall remain in full force and effect.

12.4 Limited Liability. Neither the Association, the Trustees, or the Architectural Committee or its individual members, nor any other Owner shall have personal liability to any other Owner for actions or inactions taken under these covenants, provided that any such actions or inactions are the result of the good faith exercise of their judgment or authority, under this Declaration.

12.5 Amendment. At any time while this Declaration is in effect, the Owners of 67% of the Lots of all Phases then incorporated into the Subdivision, including Declarant, may amend the provisions of this Declaration. Any amendment must be in writing and be approved by 67% of the Owners at the time of the amendment at a special meeting held for such purpose. The Owners may vote for an amendment to this Declaration in person or by proxy. No such amendment will be binding upon the holder of any mortgage or trust deed unless such holder joins in the amendment. Notwithstanding the foregoing, Declarant shall have the right to amend this Declaration to include future Phases of the Additional Land or Retirement Community Land in the Subdivision without the prior written consent of the Association or the Owners. For purposes of this provision, "Declarant" shall mean any record owner of future Phases at the time that such Phases are added to the Subdivision. The Owners shall not have the right to amend this Declaration to prohibit Declarant from including future Phases of the Additional Land or the Retirement Community Land in the Subdivision, or preventing in any manner the Owners of Lots in future Phases from enjoying any rights as members of the Association or rights to utilize the Common Areas and Facilities, including, without limitation, the sports court, swimming pool and clubhouse.

12.6 Constructive Notice. Every person who owns, occupies, or acquires any right, title or interest in any Lot in the Subdivision is conclusively deemed to have notice of this Declaration and its contents, and to have consented to the application and enforcement of each of the covenants, conditions and restrictions against his Lot, whether or not there is any reference to this Declaration in the instrument by which he acquires his interest in any Lot. Each Owner shall use his or her best efforts to deliver a copy of this Declaration and the Bylaws of the Association to any purchaser of such Owner's Lot.

12.7 Notices. All notices under this Declaration are deemed effective 72 hours after mailing, whether delivery is proved or not, provided that any mailed notice must have postage pre-paid and be sent to the last known address of the party to receive notice. Notices delivered by hand are effective upon delivery.

12.8 Consent in Lieu of Voting. In any case in which this Declaration requires for authorization or approval of a transaction the assent or affirmative vote of a stated percentage of the votes present or represented at a meeting, such requirement may be fully satisfied or obtained, with or without a meeting, when consents in writing to such transaction from Owners entitled to cast at least the stated percentage of all votes outstanding are obtained. The following additional provisions shall govern any application of this Section:

(a) All necessary consents must be obtained prior to the expiration of ninety (90) days after the first consent is given by any Owner.

(b) The total number of votes required for authorization or approval under this Section shall be determined as of the date on which the last consent is signed.

(c) Unless the consent of all Owners of a Lot are secured, the consent of the Owners of such Lot shall not be effective.

12.9 Liberal Interpretation. The provisions of this Declaration shall be interpreted liberally to further the goal of creating a uniform plan for the development and maintenance of the Subdivision. Paragraph headings are inserted for convenience only and shall not be considered in interpretation of the provisions. Singular will include plural, and gender is intended to include masculine, feminine and neuter as well.

12.10 Additional Land. The Subdivision will be constructed in three (3) or more Phases. Accordingly, Declarant hereby reserves the option to expand the Subdivision (the "Option to Expand") to include all or a portion of the Additional Land and the Retirement Community Land without the prior consent of the Owners or the Association. Each Option to Expand must be exercised within seven (7) years after recordation of this Declaration.

12.11 Declarant's Rights Assignable. All or any portion of the rights of Declarant under this Declaration or in any way relating to the Property or the Additional Land may be assigned by the Declarant at any time without the prior written consent of the Association, any Owner or any other individual or entity.

12.13 Association Insurance. The Association shall obtain and maintain liability and other insurance of the types and in the amounts set forth in the Bylaws.

12.14 Duration. This Declaration shall be effective upon the date of recordation in the office of the Salt Lake County Recorder, and, as amended from time to time, shall continue in full force and effect for a term of fifty (50) years from the date this Declaration is recorded. From and after such date, this Declaration, as amended, shall be automatically extended for successive periods of ten (10) years each, unless there is an affirmative vote to terminate this Declaration by 80% of the Owners at an election held for such purpose or otherwise approved in writing within six (6) months prior to the expiration of the initial effective period hereof or any ten-year extension. If the necessary votes and consents are obtained, the Association shall cause to be recorded a certificate of termination, duly signed by the President or Vice President and attested by the Secretary of the Association, with their signatures acknowledged. Thereupon these covenants shall have no further force and effect, and the Association shall be dissolved pursuant to the terms set forth in its Articles.

ARTICLE XIII

OWNER ACKNOWLEDGEMENT REGARDING LARGE ANIMALS; HORSE LOTS

13.1 Large Animals on Adjacent Property. Each Owner acknowledges that the Subdivision is located in a rural area surrounded by horse or large animal property. Each Owner further acknowledges the right of property owners outside of the Subdivision to maintain horses and other large animals on their property. Each Owner agrees to not assert any legal action against property owners outside of the Subdivision challenging their right to maintain large animals on their property so long as such owners comply with all relevant laws, rules and regulations regarding the ownership and maintenance of large animals.

13.2 Horse Lots. Declarant shall have the right to designate ten (10) Lots within the Subdivision as Horse Lots. Such Horse Lots may be in any Phase of the Subdivision. However, Declarant will endeavor to make the Horse Lots contiguous, if possible. Declarant hereby designates Lot

Number 103 in Phase 1 as a Horse Lot. Each Horse Lot, and Owner of a Horse Lot, shall be subject to the following obligations relating to the maintenance of horses on a Horse Lot (the "Horse Lot Rules"):

- (a) The Owner may have no more than two (2) horses on a Horse Lot.
- (b) Horses must be maintained in a fenced area on the Horse Lot that runs along the rear boundary line of the Lot, and along the boundary lines for each side of the Lot from the rear boundary line to a point that is no closer than thirty (30) feet to the nearest part of the Dwelling (the "Horse Area").
- (c) The Owner must remove all horse manure from the Horse Area and the Subdivision not less than once every thirty (30) days. All manure must be removed from the Horse Area and the Subdivision in a manner that does not create a smell, nuisance or other problems for other Owners in the Subdivision.
- (d) All hay, feed and other materials relating to the care and maintenance of horses shall be placed in an indoor or enclosed area that is screened from view from public streets or adjacent Lots.
- (e) The Owner is required to use best efforts to prevent the horses from generating flies, smells and noise.
- (f) The Owner shall not ride his horses on the Trails, in the Parks and Open Space or in other areas within the Subdivision.
- (g) The Owner shall utilize a horse trailer to transport the horses from his Horse Lot to any area outside of the Subdivision.

13.3 Right to Create Additional Rules; Penalties for Failing to Observe Rules. Declarant and/or the Association reserve the right to impose additional rules or restrictions on the Horse Lots. Owners of Horse Lots shall be subject to the fines and penalties imposed under the Compliance Procedures for failing to observe the Horse Rules set forth in this Article XIII. If an Owner of a Horse Lot is found to be in repeated violation of the Horse Rules, Declarant and/or the Association shall have the right to terminate such Owner's right to maintain horses on a Horse Lot. Such prohibition of horses on a Horse Lot shall remain in existence until the Horse Lot is sold to a third party. In addition, Declarant and/or the Association may place a lien on the Owner's Horse Lot in the amount of the penalties imposed, or the cost that is incurred by Declarant and/or the Association in cleaning the Horse Area and bringing Owner's Horse Lot in compliance with this Declaration.

ARTICLE XIV

SUMMARY OF OWNER'S DEPOSITS

Each Owner shall deliver at the closing of his purchase of a Lot from Declarant the fees and deposits outlined in this Declaration, which are summarized on Exhibit E attached hereto.

EXHIBIT A

THE FALLS AT BOULDEN RIDGE SUBDIVISION

Legal Description for Phase 1

Beginning at the East Quarter Corner of Section 8, Township 4 South, Range 1 West, Salt Lake Base and Meridian; and running thence S00°26'39" W 215.86 feet along the Section Line; thence S89°40'47" W 495.57 feet; thence S00°14'38" W 599.16 feet; thence N89°45'17" W 224.58 feet; thence Southeasterly 5.87 feet along the arc of a 37.50 foot radius curve to the left, chord bears S45°20'36" E 5.87 feet; thence Southeasterly 52.61 feet along the arc of a 79.00 foot radius curve to the right, chord bears S30°45'16" E 51.65 feet; thence Southeasterly 30.69 feet along the arc of a 37.50 foot radius curve to the left, chord bears S35°07'20" E 29.84 feet; thence S58°34'09" E 35.66 feet; thence S31°25'51" W 62.63 feet; thence S65°46'01" E 23.12 feet; thence S33°34'45" W 125.14 feet; thence S44°52'02" W 176.72 feet; thence S11°37'22" E 61.46 feet; thence S16°30'46" E 182.35 feet; thence S17°38'51" E 91.64 feet; thence S02°47'25" E 50.17 feet; thence S01°41'07" E 18.81 feet; thence S04°34'57" W 75.43 feet; thence N81°50'11" W 57.35 feet; thence S11°14'34" W 67.37 feet; thence S38°20'18" E 208.42 feet; thence S43°44'59" E 143.44 feet; thence S48°54'35" E 275.41 feet; thence S56°09'04" E 68.91 feet; thence S79°41'20" E 39.63 feet; thence N62°17'32" E 27.09 feet; thence S75°21'00" E 267.37 feet to the Section Line; thence S00°26'41" W 376.54 feet along the Section Line to the Southeast Corner of Section 8, Township 4 South, Range 1 West, Salt Lake Base and Meridian; thence S89°12'27" W 596.26 feet along the Section Line to the Easterly Boundary Line of the Welby-Jacobs Canal; thence the following six courses along said Easterly Boundary Line: (1) N63°46'27" W 405.59 feet; (2) N50°33'36" W 44.44 feet; (3) N26°32'55" W 99.86 feet; (4) N17°31'38" W 593.56 feet; (5) N22°33'17" W 58.38 feet; (6) N27°19'31" W 148.39 feet; thence N00°23'03" E 271.29 feet; thence S89°24'34" W 30.37 feet; thence N15°03'57" E 192.05 feet; thence Southeasterly 20 14 feet along the arc of a 65.00 foot radius curve to the left, chord bears S83°48'33"E 20.06 feet; thence N87°18'56" E 89.80 feet; thence Northeasterly 35.52 feet along the arc of a 25.00 foot radius curve to the left, chord bears N46°36'27" E 32.61 feet; thence Northeasterly 282.41 feet along the arc of a 310.00 foot radius curve to the right, chord bears N31°59'50" E 272.74 feet; thence N00°23'22" W 890.82 feet; thence N89°36'38" E 1035.69 feet to point of beginning.

EXHIBIT B

THE FALLS AT BOULDEN RIDGE SUBDIVISION

Legal Description for the Additional Land

The Additional Land is comprised of two parcels more particularly described as follows:

Beginning at a point S00°26'39"W 545.01 feet along the Section Line from the East Quarter Corner of Section 8, Township 4 South, Range 1 West, Salt Lake Base and Meridian; and running thence S00°26'39"W 1728.85 feet along the Section Line; thence N75°21'00"W 267.37 feet; thence S62°17'32"W 27.09 feet; thence N79°41'20"W 39.63 feet; thence N56°09'04"W 68.91 feet; thence N48°54'35"W 131.60 feet; thence N48°54'35"W 143.81 feet; thence N43°44'59"W 143.44 feet; thence N38°20'18"W 208.42 feet; thence N11°14'34"E 67.37 feet; thence S81°50'11"E 57.35 feet; thence N04°34'57"E 75.43 feet; thence N01°41'07"W 18.81 feet; thence N02°47'25"W 50.17 feet; thence N17°38'51"W 91.64 feet; thence N16°30'46"W 182.35 feet; thence N11°37'22"W 61.46 feet; thence N44°52'02"E 176.72 feet; thence N33°34'45"E 125.14 feet; thence N65°46'01"W 23.12 feet; thence N31°25'51"E 62.63 feet; thence N58°34'04"W 35.66 feet; thence Northwesterly 30.69 feet along the arc of a 37.50 foot radius curve to the right, chord bears N35°07'20"W 29.84 feet; thence Northwesterly 52.62 feet along the arc of a 79.01 foot radius curve to the left, chord bears N30°45'16"W 51.65 feet; thence Northwesterly 5.88 feet along the arc of a 37.12 foot radius curve to the right, chord bears N45°17'46"W 5.87 feet; thence S89°45'22"E 224.57 feet; thence N00°14'38"E 269.97 feet; thence N89°40'21"E 494.41 feet to the point of beginning.

Beginning at a point S89°36'38"W 1035.69 feet along the Section Line from the East Quarter Corner of Section 8, Township 4 South, Range 1 West, Salt Lake Base and Meridian; and running thence S00°23'22"E 890.82 feet; thence Southwesterly 282.41 feet along the arc of a 310.00 foot radius curve to the left, chord bears S31°59'51"W 272.74 feet; thence Southwesterly 35.52 feet along the arc of a 25.00 foot radius curve to the right, chord bears S46°36'27"W 32.61 feet; thence S87°18'56"W 89.80 feet; thence Northwesterly 20.14 feet along the arc of a 65.00 foot radius curve to the right, chord bears N83°48'33"W 20.06 feet; thence S15°03'57"W 50.00 feet; thence S15°03'57"W 142.05 feet; thence S89°24'34"W 110.88 feet to the Easterly Boundary Line of the Welby-Jacobs Canal; thence the following eight courses along said Easterly Boundary Line: (1) N27°19'31"W 331.67 feet; (2) N34°33'58"W 113.84 feet; (3) N43°04'18"W 281.80 feet; (4) N44°13'37"W 168.27 feet; (5) N53°13'36"W 112.67 feet; (6) N60°07'39"W 378.16 feet; (7) N65°26'04"W 213.62 feet; (8) N67°37'27"W 32.75 feet; thence N00°19'41"E 250.35 feet to the Section Line; thence N89°36'38"E 1600.58 feet along the Section Line to the point of beginning.

EXHIBIT C

THE FALLS AT BOULDEN RIDGE SUBDIVISION

Legal Description for the Retirement Community Land

Tax Parcel Nos. 33-08-400-001 (southwesterly portion) and -008 (southwesterly portion)

The Northwest quarter of the Southeast quarter and the West 220 feet of the Southeast quarter of the Southeast quarter of Section 8, Township 4 South, Range 1 West, Salt Lake Base and Meridian.

Less and Excepting therefrom that portion lying with Provo Canal as disclosed by that certain Warranty Deed Recorded October 31, 1916 as Entry No. 368325 in Book 9K at Page 513 and now known as the Welby Canal as described and shown in that certain Notice of Interest in Canal Property Interest Recorded November 1, 1999 as Entry No. 7502870 as Book 8320 in Page 1076.

Also Excluding those portions of the above described parcels lying North and East of the Provo Canal (now known as the Welby Canal).

Tax Parcel No. 33-08-400-010 (southwesterly portion)

That portion of the Southeast quarter of the Southeast quarter of Section 8, Township 4 South, Range 1 West, Salt Lake Base and Meridian, that lies South and West of the Provo Canal now known as the Welby Canal as shown and described by those certain instruments recorded in Book 9K-513 and in Book 8320 at Page 1076.

Less and Excepting therefrom the West 220.0 feet of said Southeast quarter of Southeast quarter of Section 8, Township 4 South, Range 1 West, Salt Lake Base and Meridian.

EXHIBIT D

THE FALLS AT BOULDEN RIDGE SUBDIVISION

Compliance Procedures

**PROCEDURES AND FINE SCHEDULE
FOR
VIOLATIONS OF THE FALLS AT BOULDEN RIDGE SUBDIVISION
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS**

1. Any member of The Falls at Boulden Ridge Subdivision Homeowners Association, Inc. (“HOA”) may notify the Board of Trustees (the “Board”) of a violation (the “Violation”) of the Declaration of Covenants, Conditions, and Restrictions for The Falls at Boulden Ridge Subdivision (“CC&Rs”) by an owner or occupant of a lot within the subdivision (the “Non-Conforming Resident”). In the alternative, a member of the Board may identify a Violation.

2. The Board shall verify each alleged Violation identified by a member of the HOA. After verification of a Violation by the Board, a member of the Board will contact the Non-Conforming Resident either in person or by telephone (the “Verbal Notice”). The Non-Conforming Resident shall have fourteen (14) days from the date of the Verbal Notice to correct the Violation without penalty.

3. If the Violation is not corrected within fourteen (14) days of the date of the Verbal Notice, the Board will send a written notice to the Non-Conforming Resident by certified mail to the Non-Conforming Resident’s address (the “First Written Notice”). The First Written Notice will provide an additional fourteen (14) days to correct the violation without penalty.

4. If the Violation is not corrected within fourteen (14) days of the date of the First Written Notice, a fine in the amount set forth in the attached Fine Schedule will be imposed. At that time, the Board will send a second written notice of the Violation to the Non-Conforming Resident by certified mail (the “Second Written Notice”).

5. If the Violation is not corrected within fourteen (14) days of the date of the Second Written Notice, an additional fine in the amount set forth in the attached Fine Schedule will be imposed. In addition, the Board will have a lien placed on the Non-Conforming Resident’s lot to secure payment of the fines.

6. Thereafter, the Board will send the Non-Conforming Resident a monthly notice of the ongoing Violation. On the last day of each month, an additional fine in the amount set forth in the attached Fine Schedule will be imposed.

7. The monthly fine will escalate, in accordance with the fines set forth on the Fine Schedule, if the Violation is not corrected.

8. Any owner or occupant in The Falls at Boulden Ridge who violates the same provision of the CC&Rs a second time within a twelve (12) month period of the date on which the first violation was cured will enter this notice and fine process at the point where the prior Violation was cured. For example, assume an owner violates the provision of the CC&Rs regarding the placement of garbage cans, receives a Verbal Notice and cures the Violation at that point. If the owner violates the same provision within a twelve-month period of curing the Violation the first time, the Board will not start the process from the beginning with a Verbal Notice, but will resume the process from the point at which the Owner cured the prior default (i.e., the First Written Notice).

VIOLATION FINE SCHEDULE

Violation	Fine at Second Written Notice	Fine 14 Days After Second Written Notice	Fine at End of Each Subsequent Month for Four (4) Months	Fine at End of Each Subsequent Month Thereafter
Any Section of Article V, VI or XIII	\$25	\$50	\$75	\$100

EXHIBIT E

THE FALLS AT BOULDEN RIDGE SUBDIVISION

Summary of Owner Deposits/Payments Due at Closing

At the closing for the purchase of a Lot from Declarant, the Owner shall provide the following deposits, which are outlined in this Declaration:

Type of Deposit/Fee	Amount	Purpose	Release Date (Assuming No Violations)
Initial Assessment	\$2,700	See Section 3.7	None of the initial assessment is returned to the Owner. However, the Owner is not required to pay regular assessments for a period of twelve months.
Plan Review Fee	\$300 if Owner is using a non-approved contractor; \$150 if Owner is using Approved Contractor	See Section 4.2(b)	Fee is not released to the Owner.
Construction Deposit	\$5,000 if Owner intends to use a non-approved contractor; \$2,500 if Owner intends to use an Approved Contractor	See Section 4.2(c)	Any portion of the fee not used for violations is released to the Owner upon completion of construction and issuance of Certificate of Occupancy for a Dwelling.
Landscaping Deposit	\$2,500	See Section 7.11	If landscaping is complete within ten months of completion or occupancy of a Dwelling, the full amount is released to the Owner.
Subdivision Improvements Deposit	\$2,500	See Section 7.12	Any portion of the fee not used for violations is released to the Owner upon completion of the warranty period for the Subdivision Improvements and the City's release of Declarant's warranty bond for such Subdivision Improvements.
Tree Payment	\$600	See Section 8.3	This amount is used by Declarant to purchase and plant two trees in the park strip.

EXHIBIT F

THE FALLS AT BOULDEN RIDGE SUBDIVISION

Fence Designs