



MEMORANDUM

TO: Mayor & Council
DATE: January 15, 2016
FROM: Duane Huffman
RE: **PUD Proposal from Ovation Homes**

The purpose of this memo is to help organize and analyze materials submitted by Ovation Homes in support of their request for a Planned Unit Development (PUD). The memo is structured into two sections: (1) Amenity Density Bonus Analysis and (2) Other Development Items.

Amenity Density Bonus Analysis

It is staff's interpretation that one of the main objectives in Ovation Homes' request for a PUD is to increase the number of lots that can be placed on the property¹. A standard yield plan for the property allows for a base density of 30 lots, and Ovation's proposals have ranged from 37-41. The City's PUD code allows for increased density through a mechanism referred to as an amenity density bonus, by which the developer can receive higher density if he provides project amenities considered to be "beyond those found in typical subdivisions."

The code allows for an amenity density bonus of up to 35%, always rounding down to the nearest lot. The following table shows how many lots Ovation Homes could place on the property under different amenity density bonus scenarios²:

Amenity Density Bonus	Lots
0 - 3%	30
3.5% - 6%	31
6.5% - 9.5%	32
10% - 13%	33
13.5% - 16%	34

Amenity Density Bonus	Lots
16.5% - 19.5%	35
20% - 23%	36
23.5% - 26%	37
26.5% - 29.5%	38
30% - 33%	39
33.5% - 35%	40

The PUD code also designates categories and allowable bonus percentages for each category. Attachment A is a worksheet developed to assist the Council in calculating each member's recommended amenity density bonus. The Planning Commission recommended a total amenity density bonus of 15% -25%, but it did not provide a recommendation specific to the required

¹ Flexibility in regards to setbacks, lot sizes, and lot widths is also critical to the proposal.

² Even with a bonus award, additional lots could only fit if allowances are made adjusting minimum lot sizes and widths.

categories. This memo will now review each of these categories and the materials submitted by Ovation.

A. Building and Project Design (0-5%)

“The Planning Commission will consider and give comprehensive and critical attention to architectural design and style, including unit types, architectural theme, building materials and colors, fence and wall treatment, solar considerations, project entrances, orientation of buildings to amenities within the development, neighborhood design elements and visual appearance of the development from outside the project.”

On 1/13/16, Ovation provided a document entitled “Addendum 1” (Attachment 2) wherein they review the project amenities they have proposed/offered beyond those a traditional subdivision, providing a dollar figure for their estimate of the value. Under this category, they note their guarantee of project with “...differing plans, exteriors, elevations and colors. The home exteriors will have brick, stucco, hardy plank, and stone. A wainscoting that is much wider than normally seen in homes of the subject price point is incorporated into the elevations of the homes.” Included as Attachment 3 are images of home exterior examples presented by Ovations in their PowerPoint presentation to the City Council on December 15th. Ovation estimates the value of this amenity to be \$97,500 under a 39 lot scenario. In addition, they are willing “to create a themed entrance with signage and coordinated landscaping that would be valued at \$3,500.”

Staff agrees that a project with well-planned and well-placed homes with upgraded materials could be considered a benefit to the community. However, the value of such should not be the total cost for the improvements, but the value of having the *guarantee* that such will occur. Moreover, an amenity development bonus may be problematic if one considers the potential prominence of garage doors. If the Council is interested in a project entrance, staff recommends having a detailed plan of such entrance for inclusion in a development agreement.

Though not mentioned by Ovation in this section, staff believes that this category would be the most logical fit for any credit given to the project for having a guarantee of 1-story homes vs. the potential for 2-story homes in a standard subdivision.

B. Innovative Site Plan (0-5%)

“The Planning Commission will consider an innovative site plan which is in harmony with the topography and other natural features of the site. An innovative site plan could also include a variety of lot sizes, setbacks, dwelling unit types, clustered development patterns, and natural resource protection.”

Under this category, Ovation’s “Addendum 1” speaks of a \$136,500 value to the community for the guaranteed placement of 6’ vinyl privacy fencing. This particular amenity may fit better under a different category, such as building and project design.

As far as the site plan itself, there are proposed variations of lot sizes (6,923 sq.ft. – 9,545 sq.ft.), but they are below the standard minimum size (10,000 sq. ft.) and are all a standard rectangular shape. Moreover, the variations in setbacks (front and rear) are again below minimum standards. It is difficult to comprehend making an allowance for deviations from minimum standards and then in turn considering such deviations a project amenity. Based on the numbers provided, staff has prepared a separate memo on setbacks (Attachment 4).

C. Substantial Public Benefit (0-10%)

“The Planning Commission will consider this amenity bonus if substantial public benefit through the provision of public facilities (such as park dedication, trail system, or other recreational facilities), that are both unusual in character and serve the needs of an area greater than the immediate development, is provided by the project. No density increase for substantial public benefit may be approved unless the public facilities provided are in excess of the typically required street improvements, sidewalks or trails, public recreational amenities, utilities and drainage facilities.”

To qualify for a bonus in this category, Ovation has proposed to provide storm water improvements beyond those that would be required. If a traditional subdivision were constructed on the Pony Haven property, the design would include:

- i. Buried storm drain piping and catch basins in the street;
- ii. A storm detention basin;
- iii. Either (1) a new pump station onsite or (2) a connection to the existing storm water piping system requiring an upgrade to the existing city pump station to accommodate the added flow.
- iv. Rear yard drains and piping

In addition to these basic improvements, Ovation has offered to install storm water connections into existing rear yards to the west of the development. Staff does not believe this would benefit all homes that border the west side of the proposed development, but there are at least a couple that could benefit. This connection would most likely consist of a six inch pipe extending approximately ten feet into the yard with some sort of small storm water collection box. Staff estimates the actual improvements currently proposed beyond a traditional subdivision to be closer to the \$10,000 range than the \$58,000 - \$79,000 currently presented by the developer.

If the Council and Ovation is interested in further improving the storm water system beyond what has currently been proposed (to better qualify for a bonus), the following items may be worth looking into:

- v. The installation of a deeper perforated pipe, connected to a separate pump that would serve as a land drain, may better benefit homes to the west. The pump would most likely pump nearly 24 hours per day. However, there is some question as to whether a land drain located near the rear property lines would

have a significant impact on the ground water level at the foundation of the existing homes to the west.

- vi. A Special Improvement District could be formed that would charge the residents of the proposed development an additional fee to cover the costs associated with the operation and maintenance of any additional storm water facilities not typical city wide. (The cost to operate and maintain a storm water pump system). This also assumes that the HOA would maintain the storm water detention basin.

Beyond the storm water improvements, staff is not aware of any other facilities being offered by the developer.

D. Provision, Protection and Maintenance of Open Space (0-10%)

“The Planning Commission will consider the provision, protection and maintenance of permanent common open space or agricultural open space which is distinguishable from a standard subdivision by its quantity or quality. The open space should be readily accessible to the residents of the development, when appropriate. Consideration will be given for innovative clustering designs that maximize open space and preserve the scenic views and beauty of the community. Open space placed in conservation easements in perpetuity will be valued highly in the PUD process. In order to gain a larger density bonus, the developer must provide a plan for the ongoing maintenance of the open space by means of a homeowners association or other entity which does not encumber the City.”

There is an emphasis placed on the provision and protection of open space throughout the PUD code. Ovation Homes has modified their proposal several times to try to better match the City’s desire in this regard. Due to the proximity of the City Park and the relatively small nature of this project, the most recent proposal from Ovation removed a small park at the far north end of the project (adding two additional lots in its place) and offers a cash payment of \$20,000 be used by the City on open space in a different location.

Staff agrees that if an amenity bonus is to be granted for the category, the City and the residents of this project may be better served by the provision and protection of open space in a different location, but \$20,000 seems woefully inadequate to do so, both in relation to the cost of acquiring or improving open space and in relation to the return benefit to the developer (space for 2 additional lots).

E. Interior Amenities and Landscaping

“The Planning Commission will consider the provision of private recreational facilities such as tennis courts, equestrian facilities, recreational centers, jogging paths, trails, water features, parks and similar facilities which are accessible to the residents of the development. Additionally, the Commission will consider overall streetscape, including street and sidewalk treatment, street trees, overall landscaping, signs, graphics, mail boxes, lighting, garage placement, car port screening, and dwelling entrances.”

Staff is not aware of any proposal for the provision of private facilities within the project for its residents. Ovation has guaranteed landscaping for each entity, and in the past has also committed to one street tree per lot. In addition, their proposal is that a Homeowners' Association be provided to maintain front yard landscaping and snow removal. Again, staff does believe there is value in the *guarantee* of landscaping, but the value is not equal to the total cost of the landscaping, as it can be safely assumed that homes in a new standard subdivision will have some level of landscaping as well.

Other Development Items

In addition to density, there are several other development items related to Ovation's PUD request.

F. Covenants, Conditions, and Restrictions (CC&Rs)

During the course of their involvement with the City, Ovation has submit at least two examples of CC&Rs. The latest version is included as Attachment 5. Staff has the following comments/recommendations in regards to the CC&Rs:

- i. Senior Living: The latest version of the CC&Rs appears to neither restrict by age nor by the number of occupants per bedroom who can live in the project. IF this is something that the Council wants, it should be made clear.
- ii. Landscape Maintenance and Snow Removal: The latest version of the CC&Rs leaves the snow removal as the responsibility of the property owner, though "a reasonable effort" will be made to contract out the work. The landscape maintenance language is similar. If the Council is intent on ensure that an HOA provides these services, this language should be strengthened.
- iii. Staff strongly recommends language be included that the City be provided a contractual right to participate in any cataclysmic decisions by the HOA, such as to dissolve the HOA or discontinue maintenance.

G. Parking

City Code requires "every PUD shall provide for adequate offstreet parking of vehicles, including recreational vehicle parking." In regards to offstreet parking of standard vehicles, the project as envisioned by the Planning Commission included a parking lot in the far north portion of the project to mitigate the narrow widths (and hence street space) of the lots and serve the small park. This lot was removed in Ovation's proposal when the adjacent park was removed. Staff believes that a parking lot at one end of the project would not be a practical way to augment offstreet parking for most of the lots, but it may indeed be needed if there is open space intended for use by those who live outside the project.

In regards to RV parking, the Council has discussed in length whether provisions in the CC&Rs prohibiting RV parking are sufficient to comply with the Code's language. It is staff's opinion that legitimate arguments exist on both sides of this issue, and that it ultimately falls on the Council to

make an interpretation. This item in particular may be ripe for clarification after this request is resolved.

H. Traffic

Attachment 6 consists of a simple traffic analysis that demonstrates that a development for persons 55 years old and older will generate approximately fifty percent (50%) less traffic than a traditional subdivision. If the development is not restricted to “seniors”, then obviously the traffic count will be higher. In either case, 30 to 40 new homes will not have a significant impact to our transportation network.

I. Springs and Wells

Council members have raised questions related to geotechnical analysis of the property, specifically related to springs and wells. Staff believes that these questions are valid in relation to any development of the property, but not necessarily to this PUD request. If the intent is to design a site plan around the springs, then they could be investigated now; however, if the intent is to address the issues with piping, then this issue would be handled as part of the plat approval process whether for a PUD or standard subdivision.

This memo has attempted to briefly review the pertinent issues related to Ovation Homes’s request for a PUD. At the Council’s direction, staff can go into more detail on any given item/issue, work with the developer to provide additional information, or otherwise proceed with the documents need to approve or deny the request.

Also included:

Attachment 7 – Current Revised Site plan

Amenity Density Bonus Category	Description	Bonus Available	Member Recommendation
Building and Project Design	Architectural design and style, including unit types, architectural theme, building materials and colors, fence and wall treatment, solar considerations, project entrances, orientation of buildings to amenities within the development, neighborhood design elements and visual appearance of the development from outside the project.	0-5%	<hr/>
Innovative Site Plan	In harmony with the topography and other natural features of the site. An innovative site plan could also include a variety of lot sizes, setbacks, dwelling unit types, clustered development patterns, and natural resource protection.	0-5%	<hr/>
Substantial Public Benefit	The provision of public facilities (such as park dedication, trail system, or other recreational facilities), that are both unusual in character and serve the needs of an area greater than the immediate development, is provided by the project.	0-10%	<hr/>
Provision, Protection and Maintenance of Open Space	The provision, protection and maintenance of permanent common open space or agricultural open space which is distinguishable from a standard subdivision by its quantity or quality. Readily accessible to the residents of the development, when appropriate. Consideration for innovative clustering designs that maximize open space and preserve the scenic views. Area placed in conservation easements in perpetuity will be valued highly. To gain a larger density bonus, developer must provide a plan for the ongoing maintenance of the open space by means which does not encumber the City.	0-10%	<hr/>
Interior Amenities and Landscaping	The provision of private recreational facilities such as tennis courts, equestrian facilities, recreational centers, jogging paths, trails, water features, parks and similar facilities which are accessible to the residents of the development. Additionally, the City will consider overall streetscape, including street and sidewalk treatment, street trees, overall landscaping, signs, graphics, mail boxes, lighting, garage placement, car port screening, and dwelling entrances.	0-5%	<hr/>

Total Amenity Density Bonus Recommended:

ADDENDUM 1

Density Bonus Analysis

In January of 2015, The West Bountiful City Council adopted Ordinance #369-15, which amended West Bountiful City Land Use Ordinances, Section 17.04.030 and Chapter 17.68 Planned Unit Development (“PUD”) to clarify the definitions related to density, as well as the implementation of density bonuses in PUDs. Several provisions are applicable to Developer’s proposed subdivision.

Section 17.04.030 defines density as “a measure of the number of lots per acre of area. It shall be expressed as lots per acre. The permitted density is calculated by dividing the total number of lots meeting the minimum requirements for the zone by the total area of land.”

Section 17.68.040, “Base Density,” provides that the base density for each PUD “is the density that would be permitted in the zone in which the proposed development is located if the development were completed as a regular subdivision under Title 16, with each lot containing a minimum buildable are of thirty feet by fifty feet (30’ X 50’)[.] The minimum lot size allowed for the purpose of determining the Base Density of a proposed [PUD] in [a residential zone of R-1-10 is] 0.2296 acre (10,000 square feet). An applicant may present a flexible project layout for consideration by the City based on the Base Density described above. An applicant may also be eligible for a density bonus as described in Section 17.68.110.”

The land that is the subject of Developer’s proposed subdivision is approximately 9.13 acres. The applicable zoning is R-1-10. Based upon the language quoted above, the subject plot of land theoretically would yield a maximum of thirty-nine lots.¹ Thus, one interpretation of the current applicable PUD ordinances would lead to a conclusion that Developer’s current proposal for number of lots does not exceed the base density that would have been permitted for the applicable plot of land. The deviation at issue is one of lot size, not total number of lots. The targeted demographic of buyer for the homes that Developer intends to be built on the development desires smaller, maintenance free lots. Thus, the Developer is attempting to provide a unique and attractive development for those active senior adults who do not desire to spend significant amounts of time maintaining their yards. The total density of actual number of home sites is no greater than what the City would intend for a tract of land of the size of the ground to be developed.

Nevertheless, Developer submitted a conceptual plat that contemplated 31 lots, if the land would have been developed with 10,000 square foot lots or the lot size contemplated in a base density calculation for a PUD within an R-1-10 zone. Thus, if the

¹ $9.13 \times 42,560 \text{ square feet} = 397,702.8 \text{ square feet}$. $397,702.8/10,000 = 39.77$, rounded down to 39.

City desires to analyze the proposed development based upon *solely* the conceptual plan, rather than the total the theoretically could be permitted in a plot of 9.13 acres, the proposed plat seeks approval of 39 lots, or eight additional lots from the conceptual R-1-10 plat. Eight additional lots would be a 26% bonus.² If the City desires to consider 31 lots as the base for the proposed subdivision, then Developer would be asking for a 26% density bonus, based on the amenities being offered.

Chapters 17.68.120 and 17.68.120 permit a discretionary density bonus of up to 35% or 35 % additional units than what otherwise would have been permitted for the applicable zoning district, based upon the amenities being offered by the developer, relative to what the developer would be required to provide in the applicable zoning district. Chapter 17.68.120 breaks down the total potential 35% density bonus into sub-categories, with each category offering a portion of the total of 35% that could be awarded to a developer. The sub-categories are as follows:

- A. Building and Project Design (0-5%);
- B. Innovative Site Plan (0-5%);
- C. Substantial Public Benefit (0-10%);
- D. Provision, Protection and Maintenance of Open Space (0-10%); and
- E. Interior Amenities and Landscaping (0-5%).

What follows is a non-exclusive summary and itemization of amenities being offered by Developer for the proposed subdivision.

A. Building and Project Design

The City can give up to a 5% density bonus for among other things, architectural design and style, architectural themes, building materials, neighborhood design elements and visual appearance of the development. If developed as an R-1-10 development, the proposed development would need to have no particular architectural style, no color contrast, no size restrictions, and no restrictions on materials. Ovation Homes, LLC, which will be the exclusive builder for the proposed development, is the leading builder of active adult communities in Davis County. It designs its communities to be a beautiful addition to any city. It employs an interior designer, who is paid \$500 per home, to ensure not only a beautiful finished individual home, but also ensures differing plans, exteriors, elevations and colors. The home exteriors will have brick, stucco, hardy plank, and stone. A wainscoting that is much wider than normally seen in homes of the subject price point is incorporated into the elevations of the homes. The value of this exterior treatment for each home provides additional value of \$2,000 per home that would not be required in a standard R-1-10 development.

At \$500 per home paid to the interior designer, \$2,000 invested into each home exterior and assuming approval of the proposed 39 lot plat, an **objective**

² 8 divided by 31 = .258, or 26%.

amenity value of \$97,500 is being provided. Developer also offered to create a themed entrance with signage and coordinated landscaping that would be valued at \$3,500. In addition, the development will have subjective value above and beyond what could be required in an R-1-10 development. The Developer believes that the City could and should permit a density bonus of 5% for the Building and Project Design sub-category.

B. Innovative Site Plan

The City can give up to a 5% density bonus for not only site plans that harmonize the existing “topography and other natural features of the site,” but also for site plans that include a variety of lot sizes, setbacks, and dwelling unit types. The development, as proposed, will have a multitude of plans and elevations. The lot sizes will vary. Each home site will have a six-foot vinyl privacy fence, creating privacy for the residents of the community. All of this is above and beyond what would be required in a standard R-1-10 development. **The value of the fencing is \$3,500 per home site or a total of \$136,500.** The proposed development will add 39 rambler style homes with a footprint of between 1,900 and 2,300 square feet. Such homes will add to the market value of the entire neighborhood, as rambler homes generally appeal to a greater segment of the home buying market than two story homes. The Developer believes that the City could and should permit a density bonus of 5% for the innovative site plan being offered.

C. Substantial Public Benefit

The City can give up to a 10% density bonus if the developer provides an amenity of substantial public benefit that serves the needs of an area greater than the immediate development. Here, Developer is offering to provide a drainage system that will benefit neighboring homes. There are 16 adjacent homes on the west side of the proposed development. These homes currently experience recurring water issues, due to the water table and the manner in which those lots were developed. Developer is willing to commit to installation of a drainage system that will include both hard pipe and vertical perforated pipe extensions that will drain into the land drain to be installed. In addition, Developer proposes to install an upgraded pump station that will benefit the neighboring homes. In order to complete this drainage system, Developer will need to remove fences of the neighboring homes, disrupt existing landscaping and then repair and replace the landscaping/fencing upon completion of the development. The work is labor intensive and will directly benefit these 16 neighboring homes. The cost that Developer will incur to install this drainage system and prepare the developers ground appropriately for proper installation of the drainage system is estimated to be between \$3,000 and \$4,000 per neighboring home or **between \$48,000 and \$64,000.** The upgraded pump station will cost Developer an additional **\$10,000 to \$15,000.** Thus, Developer is offering a public benefit, above and beyond what otherwise would be required for the development that provides a benefit of

between **\$58,000 and \$79,000**. The Developer believes that the City could and should permit a density bonus of 10% for the drainage system being offered.

D. Provision, Protection and Maintenance of Open Space

The City can give up to a 10% density bonus if the developer offers an amenity that provides, protects or maintains permanent open space. Developer has offered a cash donation of **\$20,000** to the City, which can be used however it deems to be the most optimal use for providing, protecting or maintaining open space. The discretion that is permitted to the City by the cash donation is more valuable than dedicating open space within the proposed development. The Developer believes that the City could and should permit a density bonus of 10% for the cash donation being offered.

E. Interior Amenities and Landscaping

The City can give up to a 5% density bonus for overall streetscape, landscaping, lighting, garage placement, and dwelling entrances. The homes that will be built are attractive and vary in appearance. The elevations do everything possible to minimize the focus upon garages. Perhaps more importantly, the yards of each individual home will be landscaped as of completion of the home or as soon as weather permits following closing. Thus, the community will benefit from a development that is integrated and landscaped without waiting for homeowners to get around to it on their own. The homeowner's association will maintain the yards thereafter and provide snow removal. The organizational structure of the PUD and the related homeowners' association will ensure the maintenance of the homes. Assuming a cost of \$2,500 per home for the landscaping, the development will benefit from an amenity totaling **\$97,500**. The Developer believes that the City could and should permit a density bonus of 5% for the cash donation being offered.

Conclusion

This development, if approved, will provide amenities that objectively total between **\$409,500 and \$430,500**, above and beyond what could be required if developed as a standard R-1-10 development. In addition, there are intrinsic amenities that cannot be valued, but which nobody would dispute provide significant value. All of this is in return for allowing a total of 8 additional lots from the original conceptual plat. The proposed development is precisely the type contemplated to be approved as a PUD, but is feasible only if the City will approve the development with smaller lot sizes as proposed. If the City considers the proposed 39 lot development to exceed the permissible base density, Developer respectfully urges that the necessary bonus density be granted to permit the development to proceed as currently proposed.

Stucco and Brick



Hardie and Stone



Stucco and Brick



Hardie and Stone



Black Walnut Shingles

COLUMNS:

Creamy SW7012

TRIM:

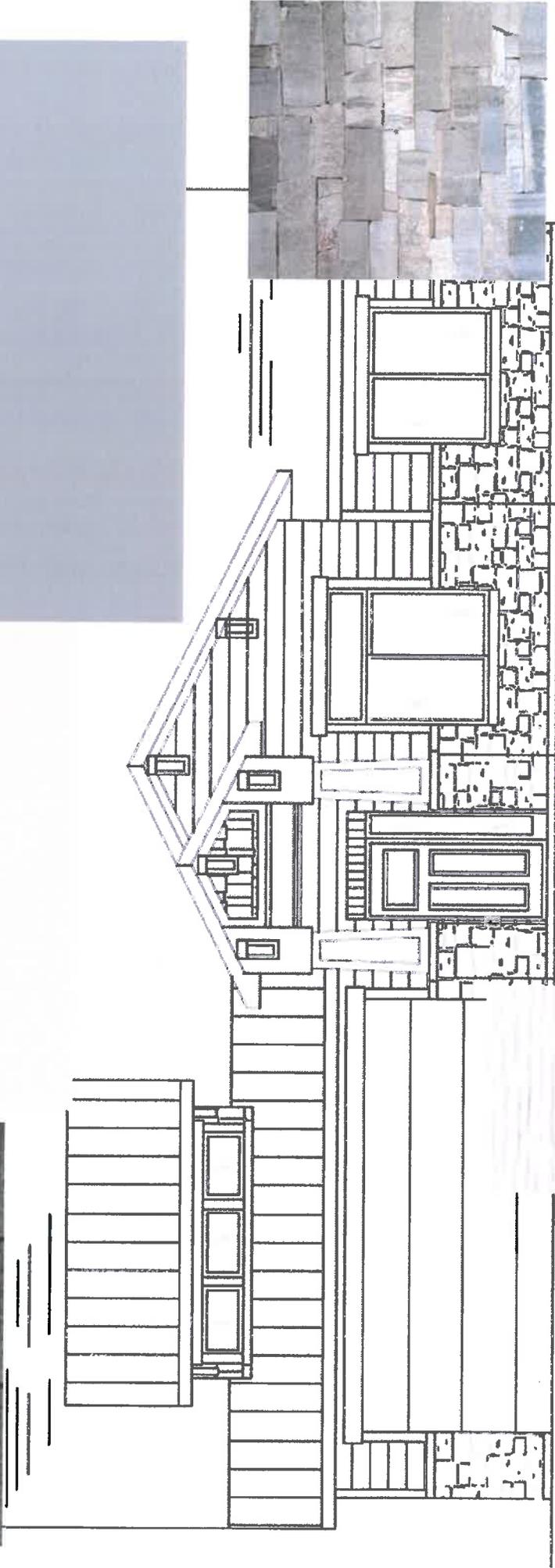
Creamy SW7012

SHAKES:

Renovation CLC1202W

LAP SIDING:

Renovation CLC1202W



White Garage Door Soffit/Fasci

White

STONE: platinum squares



OVATION
HOMES

HARDI FRONT ONLY

FARMINGTON HOLLOW 2

Exterior Colors

Heather Blend Shingles

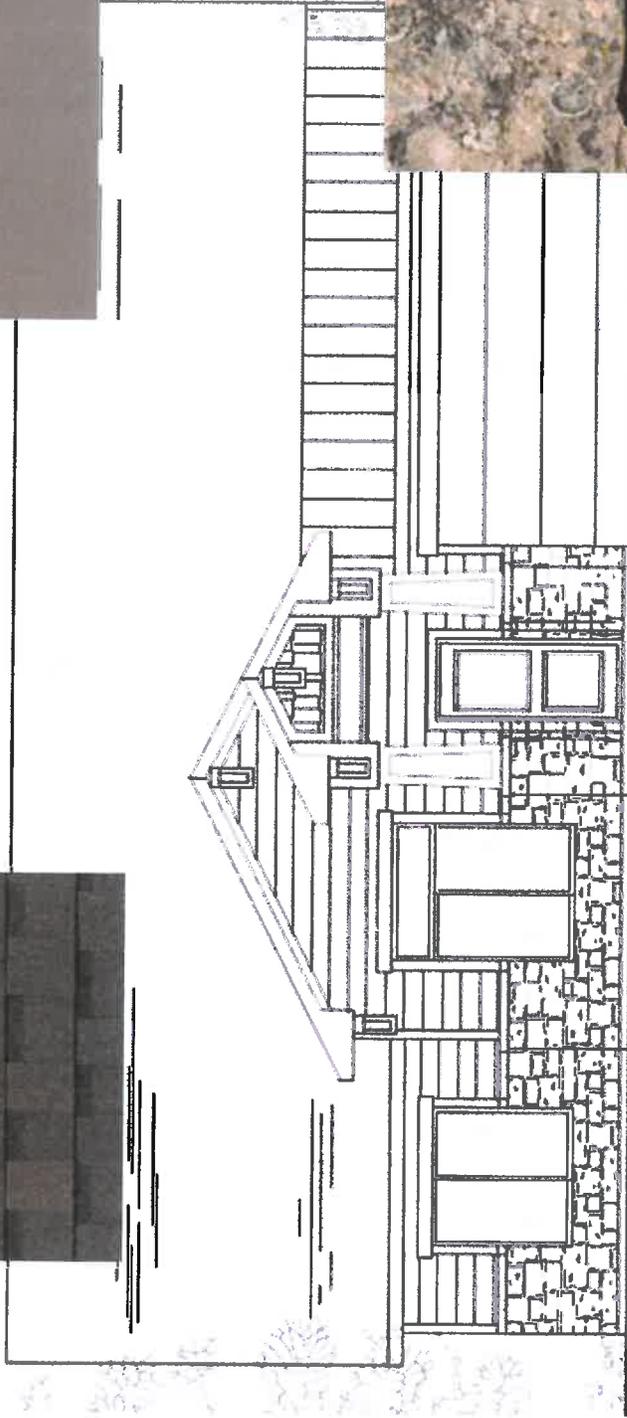
COLUMNS AND TRIM:
Natural Choice SW7011

SHAKES:
Library Pewter SW0038

LAP SIDING:
Library Pewter SW0038



\\OVATIONSERVER\SharedData\Design Manager\Product
Images\Paint Colors\natural choice.jpg



Sandstone Garage Door



STONE: black moss squares

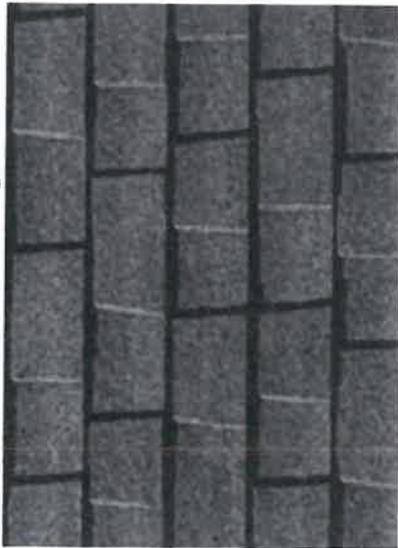


OVATION
HOMES

HARDI FRONT ONLY

FARMINGTON HOLLOW 13
Exterior Colors

Black Walnut Shingles



COLUMNS:

Pure white sw7005

TRIM:

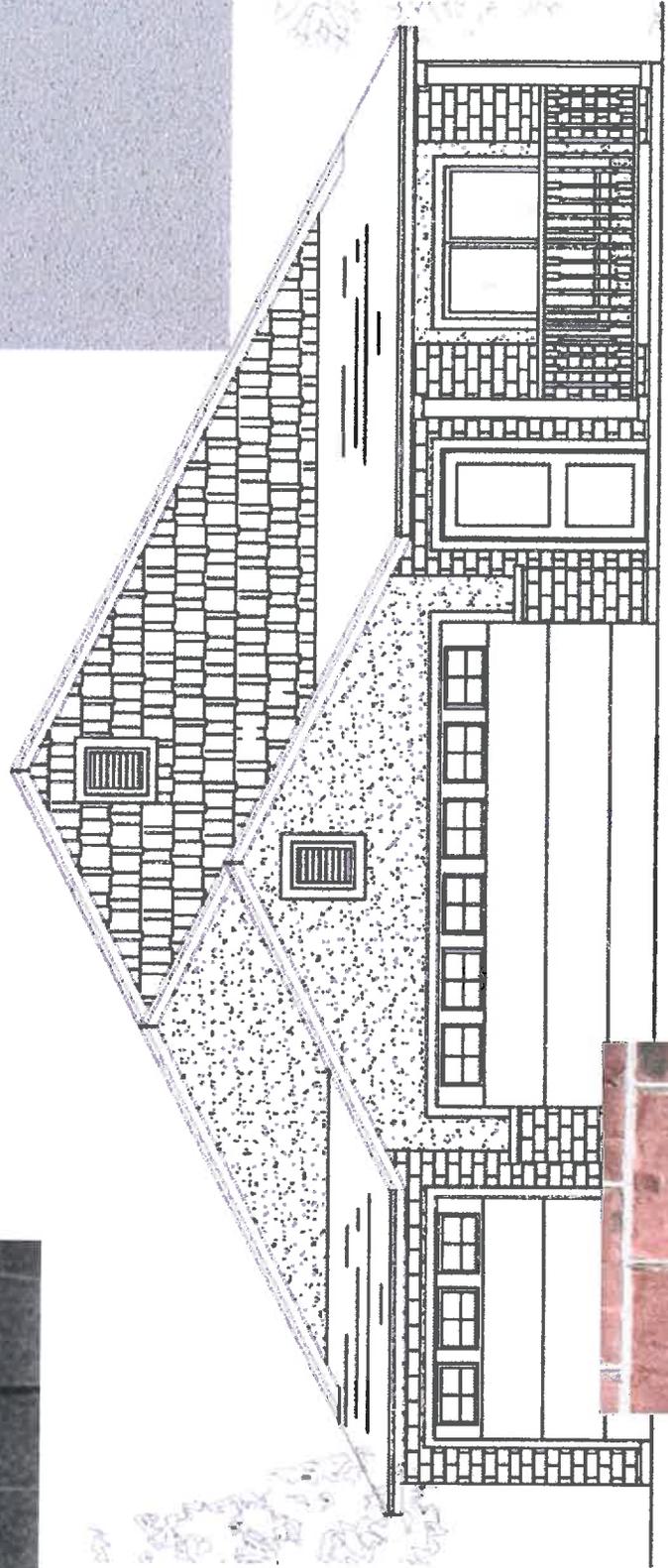
Pure White SW7005

SHAKES:

Pure White SW7005

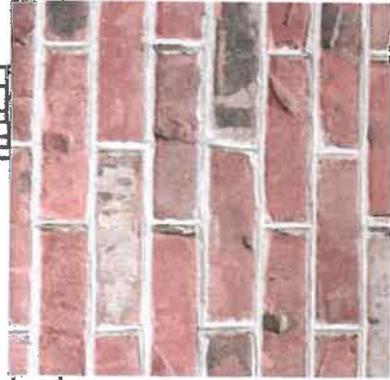
STUCCO MAIN:

Grey Cloud



White Garage Door Soffit/Fascia

White



BRICK: hampton



OVATION
HOMES

HARDI FRONT ONLY

Trailside Park 96
Exterior Colors

Black Walnut Shingles



BOARD/BATTEN:

Library pewter SW0038

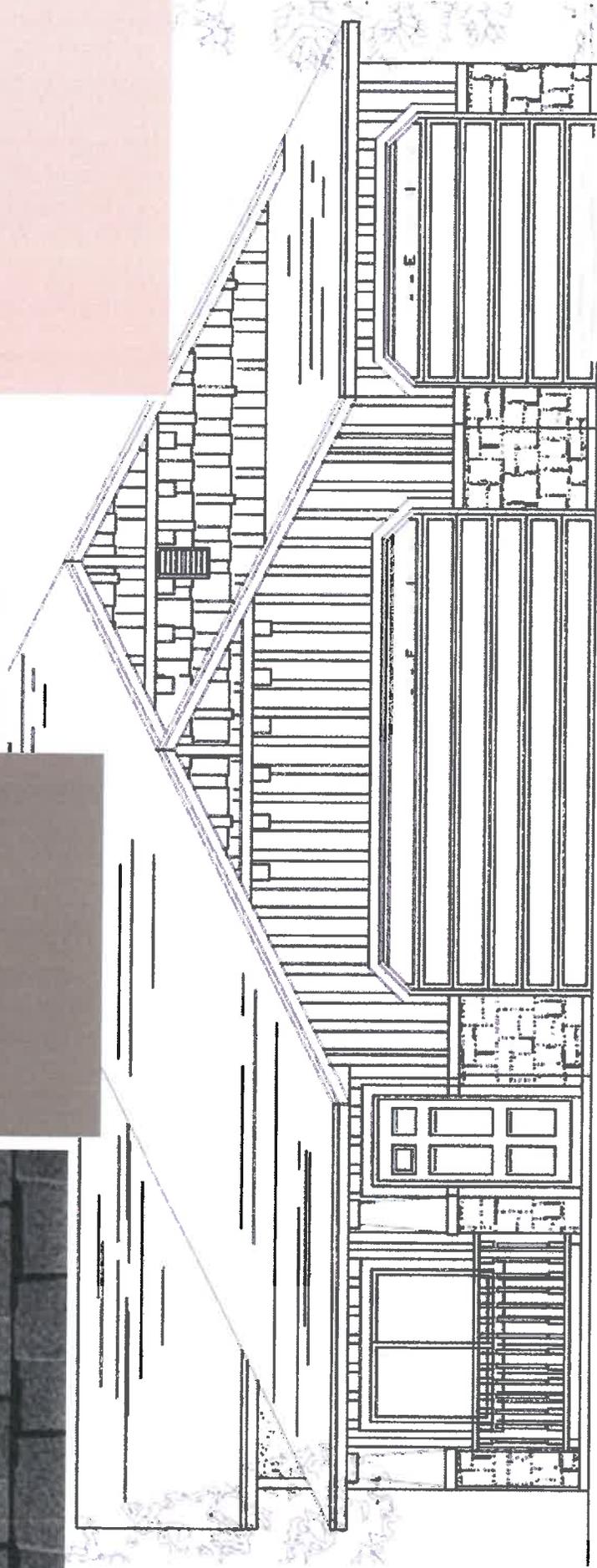
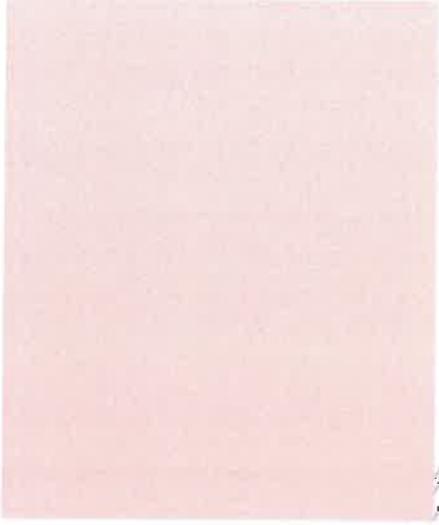


TRIM:

extra white sw7006

SHAKES:

Colonial revival stone sw2827



STONE: white elk



White

White Garage Door Soffit/Fascia

HARDI FRONT ONLY

**Trailside Park 92
Exterior Colors**



**OVATION
HOMES**

MEMORANDUM



TO: Mayor and City Council

DATE: January 14, 2016

FROM: Ben White, City Engineer

RE: Setbacks for Cottages at Havenwood

The Developer has provided house floor plans and a setback matrix which identifies the setbacks that would be achieved on each lot for each house design. Assuming a consistent distribution of all seven house plans throughout the development, the average rear setback would be twenty feet (20'). In an effort to visually show what the matrix is saying, staff has labeled what the rear setback would be on each lot (rounded to the nearest foot) if the homes were systematically arranged. In other words, they are placed in the following order: Plan 1, Plan 2, Plan 3, Plan 4, Plan 5, Plan 6, Plan 7, Plan 1, Plan 2, Plan 3, and so on.

In the way of a brief explanation, all the lots on the west side of the project are 102 feet deep. The lots the east side of the development is approximately nine feet deeper at the west end than they are at the east end of the development. The lots on the east side vary from 103.31 feet to 112.25 feet deep.

West Bountiful Setback Scenario

Lot Dimensions				Aberdeen				Avery				Cranshaw				Evangreen 2				Hamilton				Havenwood				Kingsdon			
Lot	Sqft	Width	Depth	Front	Rear	Side Yards 2 Car	Side Yards 3 Car	Front	Rear	Side Yards 3 Car	Side Yards 3 Car	Front	Rear	Side Yards 2 Car	Side Yards 2 Car	Front	Rear	Side Yards 3 Car	Side Yards 3 Car	Front	Rear	Side Yards 2 Car	Side Yards 2 Car	Front	Rear	Side Yards 2 Car	Side Yards 2 Car				
1	7598	74.99	102	20	15.34	35.99	27.99	20	15.5	27.99	24	20	15.34	32	24	20	15.67	24	24	20	15.67	24	24	20	15.67	24	24				
2	7242	71	102	20	15.34	32	24	20	15.5	24	24	20	15.34	32	24	20	15.67	24	24	20	15.67	24	24	20	15.67	24	24				
3	7242	71	102	20	15.34	32	24	20	15.5	24	24	20	15.34	32	24	20	15.67	24	24	20	15.67	24	24	20	15.67	24	24				
4	7242	71	102	20	15.34	32	24	20	15.5	24	24	20	15.34	32	24	20	15.67	24	24	20	15.67	24	24	20	15.67	24	24				
5	7242	71	102	20	15.34	32	24	20	15.5	24	24	20	15.34	32	24	20	15.67	24	24	20	15.67	24	24	20	15.67	24	24				
6	7242	71	102	20	15.34	32	24	20	15.5	24	24	20	15.34	32	24	20	15.67	24	24	20	15.67	24	24	20	15.67	24	24				
7	7242	71	102	20	15.34	32	24	20	15.5	24	24	20	15.34	32	24	20	15.67	24	24	20	15.67	24	24	20	15.67	24	24				
8	7242	71	102	20	15.34	32	24	20	15.5	24	24	20	15.34	32	24	20	15.67	24	24	20	15.67	24	24	20	15.67	24	24				
9	7242	71	102	20	15.34	32	24	20	15.5	24	24	20	15.34	32	24	20	15.67	24	24	20	15.67	24	24	20	15.67	24	24				
10	7242	71	102	20	15.34	32	24	20	15.5	24	24	20	15.34	32	24	20	15.67	24	24	20	15.67	24	24	20	15.67	24	24				
11	7242	71	102	20	15.34	32	24	20	15.5	24	24	20	15.34	32	24	20	15.67	24	24	20	15.67	24	24	20	15.67	24	24				
12	7242	71	102	20	15.34	32	24	20	15.5	24	24	20	15.34	32	24	20	15.67	24	24	20	15.67	24	24	20	15.67	24	24				
13	7242	71	102	20	15.34	32	24	20	15.5	24	24	20	15.34	32	24	20	15.67	24	24	20	15.67	24	24	20	15.67	24	24				
14	7242	71	102	20	15.34	32	24	20	15.5	24	24	20	15.34	32	24	20	15.67	24	24	20	15.67	24	24	20	15.67	24	24				
15	7242	71	102	20	15.34	32	24	20	15.5	24	24	20	15.34	32	24	20	15.67	24	24	20	15.67	24	24	20	15.67	24	24				
16	7242	71	102	20	15.34	32	24	20	15.5	24	24	20	15.34	32	24	20	15.67	24	24	20	15.67	24	24	20	15.67	24	24				
17	7242	71	102	20	15.34	32	24	20	15.5	24	24	20	15.34	32	24	20	15.67	24	24	20	15.67	24	24	20	15.67	24	24				
18	7242	71	102	20	15.34	32	24	20	15.5	24	24	20	15.34	32	24	20	15.67	24	24	20	15.67	24	24	20	15.67	24	24				
19	8078	80.3	102	20	15.34	41.3	33.3	20	15.5	33.3	24	20	15.34	32	24	20	15.67	24	24	20	15.67	24	24	20	15.67	24	24				
20	8432	71	118.76	20	32.1	32	24	20	32.26	24	24	20	32.1	32	24	20	32.43	24	24	20	32.43	24	24	20	32.43	24	24				
21	8588	70.7	122.19	20	35.53	31.7	23.7	20	36.69	23.7	24	20	35.53	31.7	23.7	20	36.69	23.7	24	20	36.69	23.7	24	20	36.69	23.7	24				
22	9545	82	112.25	20	25.59	43	35	20	25.92	35	35	20	25.59	43	35	20	25.92	35	35	20	25.92	35	35	20	25.92	35	35				
23	7951	71	111.72	20	25.06	32	24	20	25.06	32	24	20	25.06	32	24	20	25.06	32	24	20	25.06	32	24	20	25.06	32	24				
24	7913	71	111.19	20	24.53	32	24	20	24.69	24	24	20	24.53	32	24	20	24.69	24	24	20	24.69	24	24	20	24.69	24	24				
25	7876	71	110.66	20	24	32	24	20	24.16	24	24	20	24	32	24	20	24.16	24	24	20	24.16	24	24	20	24.16	24	24				
26	7838	71	110.13	20	23.47	32	24	20	23.63	24	24	20	23.47	32	24	20	23.63	24	24	20	23.63	24	24	20	23.63	24	24				
27	6923	63	109.66	20	23	24	16	20	23.16	16	16	20	23	24	16	20	23.16	16	16	20	23.16	16	16	20	23.16	16	16				
28	8965	82.3	109.7	20	23.04	43.3	35.3	20	23.2	35.3	35.3	20	23.04	43.3	35.3	20	23.2	35.3	35.3	20	23.2	35.3	35.3	20	23.2	35.3	35.3				
29	8557	78.9	108.1	20	21.44	39.9	31.9	20	21.6	31.9	31.9	20	21.44	39.9	31.9	20	21.6	31.9	31.9	20	21.6	31.9	31.9	20	21.6	31.9	31.9				
30	7657	71	107.55	20	20.89	32	24	20	20.89	32	24	20	20.89	32	24	20	20.89	32	24	20	20.89	32	24	20	20.89	32	24				
31	7617	71	107	20	20.34	32	24	20	20.5	24	24	20	20.34	32	24	20	20.5	24	24	20	20.5	24	24	20	20.5	24	24				
32	7580	71	106.5	20	19.84	32	24	20	19.5	24	24	20	19.84	32	24	20	19.5	24	24	20	19.5	24	24	20	19.5	24	24				
33	7580	71	106.5	20	18.74	32	24	20	18.9	24	24	20	18.74	32	24	20	18.9	24	24	20	18.9	24	24	20	18.9	24	24				
34	7580	71	105.4	20	18.24	32	24	20	18.4	24	24	20	18.24	32	24	20	18.4	24	24	20	18.4	24	24	20	18.4	24	24				
35	7580	71	104.9	20	17.74	32	24	20	17.9	24	24	20	17.74	32	24	20	17.9	24	24	20	17.9	24	24	20	17.9	24	24				
36	7580	71	104.4	20	17.14	32	24	20	17.3	24	24	20	17.14	32	24	20	17.3	24	24	20	17.3	24	24	20	17.3	24	24				
37	7580	71	103.8	20	16.64	32	24	20	16.8	24	24	20	16.64	32	24	20	16.8	24	24	20	16.8	24	24	20	16.8	24	24				
38	7580	71	103.3	20	16.64	38.4	30.4	20	16.8	30.4	30.4	20	16.64	38.4	30.4	20	16.8	30.4	30.4	20	16.8	30.4	30.4	20	16.8	30.4	30.4				
39	7825	77.4	103.3	20	18.84	33.066	25.066	20	19.17	25.066	25.066	20	18.84	33.066	25.066	20	19.17	25.066	25.066	20	19.17	25.066	25.066	20	19.17	25.066	25.066				
	7624.9	72.066	105.5																												

Assuming even distribution of plans throughout the community the average rear setback will be 20.05
 Assuming even distribution of plans throughout the community the average front setback will be 20
 Assuming even distribution of plans throughout the community the average side yard setback will be 27.35

20.05
20
27.35

After Recording Return to:
Vial Fotheringham, LLP
Burt R. Willie
515 South 400 East
Salt Lake City, Utah 84111

**DECLARATION OF COVENANTS,
CONDITIONS & RESTRICTIONS**

For Cottages at Valley View, a Planned Unit Development
Davis County, Utah

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR COTTAGES AT VALLEY VIEW (this "Declaration") is made and executed on this ____ day of _____, 2015, by Ovation Homes, LLC, a Utah limited liability company (hereinafter "Declarant").

RECITALS:

(A) This Declaration will take effect on the date recorded at the office of the Davis County Recorder's Office (the "Effective Date").

(B) Declarant is the owner of certain real property located in Davis County, Utah and more particularly described as follows (the "Property"):

PART OF THE SOUTHWEST QUARTER OF SECTION 14, TOWNSHIP 4 NORTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN, U.S. SURVEY. DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF LOT 5 OF ADAMS PARK SUBDIVISION, SAID POINT BEING N89°55'45"E ALONG THE SECTION LINE, 1102.81 FEET AND N00°04'15"W 198.87 FEET FROM THE SOUTHWEST CORNER OF SECTION 14; THENCE N00°08'57"W ALONG THE EAST LINE OF ADAMS PARK SUBDIVISION 312.00 FEET; THENCE N05°24'04"E 20.49 FEET; THENCE N00°20'14"E ALONG EXISTING FENCE AND THE ARCHULETA PARCEL (09-087-0171), 247.52 FEET TO THE SOUTH RIGHT OF WAY LINE OF OAKRIDGE DRIVE; THENCE N68°26'12"E ALONG SAID SOUTH RIGHT OF WAY LINE, 271.81 FEET; THENCE ALONG ADAMS PARCEL (09-087-0169) THE FOLLOWING THREE (3) COURSES: (1)S54°10'09"E 76.84 FEET; (2)S17°22'29"E 241.63

FEET; (3)S28°17'16"E 238.72 FEET; THENCE A CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 543.26 FEET, A RADIUS OF 1260.00 FEET, A CHORD BEARING OF S68°54'22"W, AND A CHORD LENGTH OF 539.06 FEET TO THE POINT OF BEGINNING.

CONTAINING 234,371 SQUARE FEET OR 5.380 ACRES

(C) Declarant desires to subject the Property to the terms of this Declaration. Declarant intends to develop a residential subdivision on the Property pursuant to the Community Association Act, Utah Code Sections 57-8a-101, *et. seq.* 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, restrictions and easements, as set forth in this Declaration, as amended from time to time, which are deemed to be covenants running with the land mutually burdening and benefitting each of the Lots within the Subdivision. Common Areas are those areas that are depicted in the recorded Plat(s), as amended, and as described in this Declaration.

(D) Declarant reserves the right to develop additional phases within the Undeveloped Land pursuant to the Community Association Act, Utah Code Sections 57-8a-101, *et seq.*, which Subdivision does not constitute a cooperative.

(E) Declarant has deemed it desirable, for the efficient preservation of the values and amenities of the Property, to create an entity which possesses the powers to maintain and administer the Common Areas and otherwise administer and enforce the provisions of this Declaration. For such purposes, contemporaneously with the recording of this Declaration, Declarant will register with the Utah Department of Commerce Cottages at Valley View Homeowners Association, Inc. (the "Association").

(F) The Association is governed by the terms of this Declaration, the Articles of Incorporation for Cottages at Valley View Homeowners Association, Inc., and the Bylaws for Cottages at Valley View Homeowners Association, Inc., which Bylaws are attached hereto as **Exhibit "A"** and shall be recorded in the Davis County Recorder's Office contemporaneously with the recording of this Declaration.

(G) Declarant declares that the Property shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied, and improved, subject to the following easements, restrictions, covenants, conditions and equitable servitudes, all of which are for the purpose of uniformly enhancing and protecting the value, attractiveness and desirability of the Property, in furtherance of a general plan for the protection, maintenance, subdivision, improvement and sale of the Property or any portion thereof. The covenants, conditions, restrictions, reservations, easements and equitable servitudes set forth herein shall run with each Lot located on the

Property, including any additions thereto, and shall be binding upon all persons having any right, title or interest in the Property or any part thereof, their heirs, successors and assigns and shall inure to the benefit of every portion of the Property and any interest therein; and shall inure to the benefit of and be binding upon Declarant, and its successors in interest; and may be enforced by the Declarant, any Owner and its successors in interest and by the Association.

(H) Notwithstanding the foregoing, no provision 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 or County ordinances; (4) assignment of Declarant's rights under this Declaration in whole or part; and (5) retention of Declarant's rights with respect to subsequent phases of the Subdivision. This Declaration shall be binding upon the Declarant, as well as its successors in interest or assigns, and may be enforced by the Declarant. A Supplemental Declaration, with such modifications or supplemental provisions as may be deemed appropriate by Declarant, may be recorded on a phase-by-phase basis to address differences in the circumstances affecting any Lots to be constructed after the initial phase.

COVENANTS, CONDITIONS AND RESTRICTIONS

ARTICLE I DEFINITIONS

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

(A) "Act" means the Community Association Act, Utah Code Ann. Sections 57-8a-101 *et. seq.*

(B) "Architectural Control Committee" or "ACC" shall mean the Architectural Review Committee created by this Declaration, the Bylaws, and/or Articles of Incorporation.

(C) "Assessment" shall mean any monetary charge, fine or fee imposed or levied against an Owner by the Association, as provided in the Governing Documents, regardless of whether said assessment is identified as a regular assessment, special assessment, individual assessment, reserve assessment, capital improvement assessment, late fee or other charge.

(D) "Articles" shall mean the Articles of the Association, as amended from time to time.

(E) "Association" shall mean COTTAGES AT VALLEY VIEW HOMEOWNERS ASSOCIATION, INC., and as the context requires, the officers or directors of that Association.

(F) "Board" or "Board of Directors" shall mean the duly elected and acting Board of Directors of COTTAGES AT VALLEY VIEW HOMEOWNERS ASSOCIATION, INC.

(G) "Bylaws" shall mean the Bylaws of the Association, as amended from time to time, a copy of which is attached hereto as **Exhibit "A."**

(H) "City" shall mean Layton City, Utah and its appropriate departments, officials and boards.

(I) "County" shall mean Davis County, Utah and its appropriate departments, officials and boards.

(J) "Common Areas" shall mean all property designated on the recorded Plat(s) as Common Area, being intended ultimately to be owned by the Association for the common use and enjoyment of all Owners, together with all improvements thereon and all of the easements appurtenant thereto, including easements for Lanes over individual and applicable Lots. The Association shall maintain the Common Areas.

(K) "Common Expenses" means any and all costs, expenses and liabilities incurred by or on behalf of the Association, including, without limitation, costs, expenses and liabilities for (A) managing, operating, insuring, improving, repairing, replacing and maintaining the Common Areas; (B) providing facilities, services and other benefits to Owners as set forth in this Declaration; (C) administering and enforcing the covenants, conditions, restrictions, reservations and easements created hereby; (D) levying, collecting and enforcing the assessments, charges, fines, penalties and liens imposed pursuant hereto; (E) operating the Association; and (F) creating reserves for any such costs, expenses and liability as required by this Declaration or the Act.

(L) "Declarant" shall mean and refer to Ovation Homes, LLC, a Utah limited liability company, and its successors and assigns.

(M) "Declaration" shall mean this Declaration of Covenants, Conditions and Restrictions for Cottages at Valley View, together with any subsequent amendments or additions through supplemental declarations.

(N) "Dwelling" shall mean the single family residence built or to be built on any Lots, including the attached garage.

(O) "Governing Documents" shall mean this Declaration, Bylaws, Articles, Rules, and any other documents or agreements binding upon an Owner.

(P) "Improvement" shall mean all structures and appurtenances of every type and kind, including but not limited to buildings, dwellings, garages, walkways, retaining walls, driveways, fences, landscaping, decks, stairs, poles, lighting, signs, satellite dishes or other antennas, and any mechanical equipment located on the exterior of any building.

(Q) "Lane(s)" or "Private Roads" shall mean those roadways which are not depicted as public roadways within the Project and which are typically narrower than the public roadways. The Lanes shall be dedicated to the Association, as set forth herein and/or the recorded Plat and shall be deemed Common Area as defined herein. Owners, through assessments, shall be responsible for any cost related to the Lanes including, but not limited to, maintenance costs associated with the upkeep and replacement.

(R) "Lot" shall mean any numbered building Lot shown on any official and recorded Plat(s) of all or a portion of the Project whether or not it contains an Improvement.

(S) "Manager" shall mean any entity or person engaged by the Board of Directors to manage the Project.

(T) "Member" shall mean and refer to every person who holds membership in the Association, including an Owner and the Declarant as set forth herein.

(U) "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 any obligations, including the trustee and/or beneficiary under a deed of trust or mortgagee under a mortgage.

(V) "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.

(W) "Plat(s)" shall mean an official and recorded plat of The Cottages at Fairfield, including all subsequent phases of The Cottages at Fairfield when recorded, as approved by the City and recorded in the office of the Davis County Recorder, as it may be amended from time to time.

(X) "Property" shall have the meaning set forth in the recitals.

(Y) "Rules" mean any instrument adopted by the Board for the regulation and management of the Association as provided in the Governing Documents.

(Z) "Subdivision" or "Project" shall mean all phases of Cottages at Valley View and all Lots, and other property within the Subdivision, as shown on the Plat(s) and any future Plat(s) covering the Property and Undeveloped Land.

(AA) "Subdivision Improvements" shall mean all improvements to be installed outside the boundaries of Lots or within easements as identified on the Plats that are necessary to provide public road access and/or private road access and utility service to the Lots, and including other construction work required to comply with any conditions of City or County or other governmental agencies to the approval of the Subdivision or any Plat(s) thereof.

(BB) "Undeveloped Land" shall, at any point in time, mean all of the land more particularly described in **Exhibit "B"** attached hereto and made a part hereof. Declarant's determination as to when any of the land described in **Exhibit "B"** ceases to be Undeveloped Land shall be conclusive.

ARTICLE II EASEMENTS

2.1 Easement Concerning Common Area. Each Owner shall have a nonexclusive right and easement of use and enjoyment in and to the Common Area. Such right and easement shall be appurtenant to and shall pass with title to each Lot and in no event shall be separated therefrom, or encumbered, pledged, assigned or otherwise alienated by an Owner. Any Owner may temporarily delegate the right and easement of use and enjoyment described herein to any family member, household guest, tenant, lessee, contract purchaser, or other person who resides on such Owner's Lot. Notwithstanding the foregoing, no Owner shall have any right or interest in any easements forming a portion of the Common Area except for the necessary parking, access, and utility easements for use in common with others.

2.2 Limitation on Easement. An Owner's right and easement of use and enjoyment concerning the Common Area shall be subject to the following:

(a) The right of the Association to govern by Rules the use of the Common Area for the Owners so as to provide for the enjoyment of said Common Areas by every Owner in a manner consistent with the preservation of quiet enjoyment of the Lots by every Owner, including the right of the Association to impose reasonable limitations on the number of guests per Owner who at any given time are permitted to use the Common Area;

(b) The right of the Association to suspend an Owner's right to the use of the Common Areas, or any amenities included therein, for any period during which an Owner is in violation of the terms and conditions of the Governing Documents or delinquent in the payment of a levied assessment or fee.

(c) The right of the City, County, 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, parking area, walkway, or open area contained within the Common Areas for the purpose of providing police and fire protection, transporting school children, utility access/installation, and providing any other governmental or municipal service; and

(d) The right of the Association to dedicate or transfer any part of the Common Areas to any public agency or authority for such purposes and subject to such conditions as may be agreed to by the Association, provided that such dedication or transfer must first be assented to in writing by the Owners of at least seventy-five percent (75%) of the Lots (not including Lots owned by Declarant).¹ No such dedication or transfer, however, may take place without the Association first receiving written approval from City and/or County pursuant to all applicable state and city laws, rules and ordinances in effect at the time of such proposed dedication or transfer.

2.3 Reservation of Access and Utility Easements. Declarant hereby reserves an easement for access and utilities (including but not limited to: electrical, gas, communication, phone, internet, cable, sewer, drainage and water facilities) over, under, along, across and through the Property, together with the right to grant to a City and County, or any other appropriate governmental agency, public utility or other utility corporation or association, easements for such purposes over, under, across, along and through the Property upon the usual terms and conditions required by the grantee thereof for such easement rights, provided, however, that such easement rights must be exercised in such manner as not to interfere unreasonably with the use of the Property by the Owners and the Association and those claiming by, through or under the Owners or the Association; and in connection with the installation, maintenance or repair of any facilities as provided for in any of such easements, the Property shall be promptly restored by and at the expense of the person owning and exercising such easement rights to the approximate condition of the Property immediately prior to the exercise thereof. Each Owner in accepting the deed to a Lot expressly consents to such easements and rights-of-way and authorizes and appoints the Association as attorney-in-fact for such Owner to execute any and all instruments conveying or creating such easements or rights-of-way.

¹ Declarant shall enjoy this right without limitation generally and these limitations specifically up through transfer of control of the Subdivision as set out in this Declaration.

2.4 Easements for Encroachments. If any part of the Common Areas, as improved by Declarant, now or hereafter encroaches upon any Lot or if any structure constructed by Declarant on any Lot now or hereafter encroaches upon any other Lot or upon any portion of the Common Area, a valid easement for such encroachment and the maintenance thereof, so long as it continues, shall exist. If any structure on any Lot shall be partially or totally destroyed and then rebuilt in a manner intended to duplicate the structure so destroyed, minor encroachments of such structure upon any other Lot or upon any portion of the Common Area due to such reconstruction shall be permitted; and valid easements for such encroachments and the maintenance thereof, so long as they continue, shall exist.

2.5 Easements for Construction and Development Activities. Declarant reserves easements and rights of ingress and egress over, under, along, across and through the Property and the right to make such noise, dust and other disturbance as may be reasonably incident to or necessary for the (a) construction of Dwellings on Lots, (b) to maintain sales or leasing offices, management offices and models throughout the Project and to maintain one or more advertising signs on the Common Area with respect to the sales of Lots, or other property in the Project or within any of the Undeveloped Land, (c) improvement of the Common Area, and construction, installation and maintenance thereon of roadways, walkways, buildings, structures, landscaping, and other facilities designed for the use and enjoyment of some or all of the Owners, and (d) construction, installation and maintenance on lands within, adjacent to, or serving the Property of roadways, walkways, and other facilities, planned for dedication to appropriate governmental authorities.

2.6 Easement in Favor of Association. The Lots, Common Area are hereby made subject to the following easements in favor of the Association and its directors, officers, agents, employees and independent contractors:

- (a) For inspection during reasonable hours of the Lots, Common Area in order to verify the performance by Owners or other persons of all items of maintenance and repair for which they are responsible;
- (b) For inspection, maintenance, repair and replacement of portions of the Common Area;
- (c) For correction of emergency conditions on one or more Lots or on portions of the Common Area;
- (d) For the purpose of enabling the Association, the Architectural Review Committee or any other committees appointed by the Association to exercise and discharge during reasonable hours their respective rights, powers and duties;

(e) For inspection during reasonable hours of the Lots, Common Area in order to verify that the Owners and occupants, and their guests, tenants and invitees, are complying with the provisions of the Governing Documents.

ARTICLE III COMMON AREAS

3.1 The Common Areas shall be and are hereby conveyed to the Association, a Utah non-profit corporation, subject to this Declaration and subject to all easements as set forth in this Declaration.

3.2 The Common Areas consist of areas designated as Common Areas on the recorded Plat(s), including any Lanes and structures related to the operation or maintenance of the Common Areas, together with any rights of way and utilities, as shown on the recorded Plat(s).

3.3 Notwithstanding anything contained in this Declaration to the contrary, all Common Areas appurtenant to each recorded Plat of the Project shall be conveyed to the Association upon recordation of a Plat depicting such Common Areas, reserving all easements as set forth in this Declaration. The Association shall maintain the Common Areas.

3.4 Except as otherwise provided in this Declaration, the Association, or its duly designated agent, shall maintain all Common Areas, including, without limitation, the improvements and landscaping located thereon in good order and repair and shall otherwise manage and operate all Common Areas as it deems necessary and appropriate. The Association shall have the authority to assess its members for the costs of said maintenance in accordance with the terms of this Declaration.

3.5 Snow Removal. The Association shall make reasonable and prudent efforts to contract with a third party for the removal of snow from sidewalks, driveways and other relevant Common Areas within the Project. Owners shall be responsible for removing snow from entryways, porches, patio areas, and other applicable areas on their Lot. Owners shall be responsible and take reasonable precautions with respect to ice and ice accumulation. The work of removing snow will be delegated to a third party, who will utilize its discretion in the frequency of the snow removal and the amount of accumulation meriting removal. The Association shall not be responsible or liable for said third party's discretion and removal of snow.

3.6 Landscaping Maintenance. The Association shall make reasonable and prudent efforts to contract with a third party to provide for the landscaping maintenance of the front and side yards of each Lot with a Dwelling and landscaping completed thereon. Owners shall be

responsible to maintain their back yard. The Association shall not be responsible or liable for said third party's services.

ARTICLE IV MEMBERSHIP

4.1 Membership in the Association shall at all times consist exclusively of the Owners. Each Owner shall be a member of the Association so long as such Owner has an ownership interest in a Lot and such membership shall automatically terminate when the Owner cease to have an ownership interest in the Lot. Upon the transfer of an ownership interest in a Lot the new Owner succeeding to such ownership interest shall likewise succeed to such membership in the Association. If titled ownership to a Lot is held by more than one Person, the membership appurtenant to that Lot shall be shared by all such Person in the same proportional interest and by the same type of tenancy in which title to the Lot is held. Notwithstanding the foregoing, the Declarant, as owner of the Undeveloped Land, shall also be granted voting rights as a Class "B" member, as defined below.

ARTICLE V VOTING

5.1 The Association shall have two (2) classes of voting membership, Class "A" and Class "B", as follows:

(A) Class "A". Class "A" Members shall be all Owners with the exception of Class "B" membership, if any. Class "A" membership shall be entitled to one (1) equal vote for each Lot in which they are an Owner. Since an Owner may be more than one Person, if only one of such Person(s) is present at the meeting of the Association that Person shall be entitled to cast all votes appertaining to that Lot. But if more than one of such Person(s) is present, the votes appertaining to that Lot shall be cast only in accordance with the agreement of a majority of them, and such consent shall be conclusively presumed if any one of them purports to cast the votes appertaining to that Lot without protest being made forthwith by any of the others to the person presiding over the meeting. The votes appurtenant to any one Lot may not be divided between Owners of such Lot or with respect to matters before the Association, and all such votes appurtenant to any one Lot shall be voted in one block. If the vote of a majority of the owners of a Lot cannot be determined, no vote shall be cast in relation to such Lot.

(B) Class "B". The Class "B" Member shall be Declarant. In all matters requiring a vote, the Class "B" membership shall receive twenty (20) votes for each recorded Lot owned by Declarant and fifty (50) votes for each acre of property owned by Declarant within the Undeveloped Land but not yet a recorded Plat. The Class "B" membership

shall also be entitled to appoint the members of the Board and Association during the Class "B" Control Period.

ARTICLE VI CONTROL PERIOD

6.1 The Class "B" Control Period runs until ninety (90) days after the first to occur of the following:

- (A) When the total number of votes for the Class B Member is less than the total number of votes for the Class A Members; or
- (B) When, at its discretion, the Class B Member so determines.

6.2 Notwithstanding anything to the contrary in this Declaration, Declarant may exercise its discretionary termination of control in whole or in part as to any portion of the Subdivision at its sole election and determination. In doing so as to a portion of the Subdivision, it does not waive any reversionary or remaining control as to all other portions of the Subdivision, the control of which is not expressly terminated by Declarant.

ARTICLE VII HOMEOWNER ASSOCIATION

7.1 Organization. The Association has been created to effectively enforce the Governing Documents and shall operate as a non-profit corporation. The Association shall be comprised of the Declarant and Owners of Lots within the Project, 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 Governing Documents. 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 serve as the organizational body for all Owners.

7.2 Enforcement Powers. The Association shall have all powers granted to it by the Governing Documents and the Act to enforce these covenants and restrictions by actions in law or equity brought in the name of the Association, and the power to retain professional services needed to the enforcement of the Governing Documents and to incur expenses for that purpose, including but not limited to: (1) record and/or foreclose liens against an Owner's Lot; (2) initiate legal or similar proceedings; (3) impose fines; (4) collect any rents directly from tenant for past due assessments; (5) terminate an Owners' right to receive utility service paid as a common expense (with the exception of water, sewer, power and natural gas); (6) terminate an Owner's right to utilize Common Area and/or amenities; and (7) any other action or remedy allowed by the Governing Documents or Utah law.

(a) The Association shall have the exclusive right to initiate enforcement actions in the name of the Association. However, this shall not limit the individual right of Owner(s) to personally enforce these covenants in their own name. The Association may appear and represent the interest of the Project at all public meetings concerning zoning, variances, or other matters of general application and interest to the Owners. Owners may appear individually.

(b) The Association shall have the authority to initiate and compromise claims and litigation on behalf of the Association resulting from the enforcement of the Governing Documents. In the event that the Association initiates legal action against a specific Owner or Owners to enforce these Governing Documents, and the Association prevails in a court of law, then the Association shall have the right to assess the costs of such litigation, including reasonable attorney fees, against the Owner(s) or Lot(s) in question.

(c) The Board shall be afforded discretion to utilize its reasonable judgment to determine whether and how to: impose fines, record liens, pursue legal action; otherwise enforce the Governing Documents; or when and how to settle or compromise claims.

7.3 Assessments. Assessments will be made to meet the anticipated and recurring costs, expenses and Common Expenses of the Association. The Association has the power to levy assessments against each Lot as necessary to carry out its functions as set forth herein.

(a) All such amounts shall be, constitute and remain: (a) a charge and continuing lien upon the Lot with respect to which such assessment is made until fully paid; and (b) the personal, joint and several obligations of the Owner or Owners of such Lot at the time the assessment falls due. No Owner may exempt himself or his Lot from liability for payment of assessments by waiver of his rights in the Common Areas or by abandonment of his Lot. In a voluntary conveyance of a Lot, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments, late payment fees, interest and costs of collection (including reasonable attorney fees) which shall be a charge on the Lot at the time of the conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor.

(b) The Association may levy special assessments for the purpose of defraying, in whole or in part any expense or expenses not reasonably capable of being fully paid with funds generated by other assessments. During the Class B Period, no special assessment will be levied without approval of the Declarant.

(c) In addition, the Association may levy individual assessments on every Lot.

Owner or occupant that shall cause any damage to the Project or otherwise causes the Association to incur any individual expense for maintenance, repairs, or enforcement action taken under the provisions of the Governing Documents. The amount of any such individual assessments shall be determined by the cost of such repairs, maintenance or enforcement action, including all overhead and administrative costs (including reasonable attorney fees), and shall be allocated among the affected Owner(s) or Lot(s) according to the cause of damage, maintenance, repair work or enforcement action, as the case may be, which individual assessment may be levied in advance of the performance of work.

(d) The Association may levy a reserve fund assessment.

(e) The Association may levy other assessments or fees, as authorized by the Governing Documents.

7.4 Budget. The Board is authorized and required to adopt a budget for each fiscal year, no later than 30 days prior to the beginning of the fiscal year. The adopted budget shall be presented to the Owners at or before each annual meeting.

(a) The Board may revise the approved budget from time to time as necessary to accurately reflect actual and/or anticipated expenses that are materially greater than previously budget.

(b) The budget shall estimate and include the total amount for the Common Expenses, shall contain an appropriate amount for reserves, and may include an amount for other contingencies. The budget shall also be broken down into reasonably detailed expense and income categories.

(c) Unless otherwise established by the Board, regular Assessments shall be paid in equal monthly installments.

7.5 Reserve Fund Analysis. Following the Class B Period, the Board shall cause a reserve analysis to be conducted no less frequently than every six (6) years to analyze the cost of repairing, replacing or restoring Common Area that have a useful life of three years or more and a remaining useful life of less than 30 years. This reserve analysis should be reviewed no less frequently than every three (3) years and updated if necessary. The Board may conduct a reserve analysis itself or may engage a reliable person or organization, as determined by the Board, to conduct the reserve analysis.

7.6 Reserve Fund Account Creation. The Board shall create a reserve fund account that is separate and distinct from the Association's general account, which account shall be funded from the reserve fund assessments. The amount of the reserve fund assessment shall be a

separate line item in the approved budget. The Board shall cause an assessment to be made against all Owners in an amount sufficient, within the Board's discretion, to fund the reserve account.

7.7 Reinvestment Fee. The Board shall have power to levy a one-time reinvestment fee when a change in ownership of a Lot occurs in the amount of \$500.00, unless a lesser amount is determined by the Board.

7.8 Date of Commencement of Assessments. Assessments provided for herein shall commence as to each Lot on the first day of the first month following the effective date of the first budget. Assessments shall be due and payable in a manner and on a schedule, as the Board may provide.

(a) Notwithstanding, Assessments for those Lots owned by Declarant or its assigns, successors, subsidiaries, related construction entities, or other entities established by Declarant, or Declarant's members, for the purpose of constructing Dwellings on the Lot (collectively "Declarant Related Entities") shall not commence until the completed Dwelling is conveyed to an owner that is not the Declarant or a Declarant Related Entity. No amendment of this Declaration changing the allocation ratio of such assessments shall be valid without the consent of the Declarant and Declarant Related Entity during the Class B Control Period.

7.9 Fines. Following notice as required by the Act, the Association shall have the power to assess a fine against an Owner (or their Lot) for a violation of the terms and conditions of the Governing Documents in an amount set by the Board.

7.10 Hearing Process. The Board shall have authority to create a reasonable hearing process, consistent with the Act, applicable when the Association takes an adverse action related to any particular Owner(s).

7.11 Association Rules. The Board from time to time and subject to the provisions of the Governing Documents, may adopt, amend, repeal and enforce Rules governing: (a) the use of the Common Areas and Limited Common Areas; (b) the use of any facilities owned by the Association; (c) the collection and disposal of refuse; (d) the maintenance of animals in the Project; (e) collection policies and procedures; and (f) other matters concerning the use and enjoyment of the Property and the conduct of residents, as deemed necessary by the Board. The Rules may supplement, clarify and add detail to issues addressed in Governing Documents. However, the Rules may not contradict the Governing Documents.

(a) During the Class B Period, Declarant shall be exempt from the rule making procedure required by Utah Code § 57-8a- 217.

7.12 Statement of Account & Payoff Information. Upon a written request from an Owner that the Association provide the Owner with a statement of his/her account, the Association may charge a fee, not to exceed \$10.00, for providing such statements. In addition, when a request is made to the Association to provide payoff information needed in connection with the financing, refinancing, or closing of a Lot Owner's sale of his/her Lot, the Association may charge a fee not to exceed \$50.

7.13 Availability of Documents. The Association shall make appropriate documents available to Owners (and their lenders, insurers and/or authorized agents) consistent with the Act and the Utah Revised Non-Profit Act. The Board may adopt a record retention policy to govern its record retention procedures.

7.14 Indemnity of Association Board and Officers. The Association will indemnify the officers, agents and Board 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 the Governing Documents.

7.15 Election, Notice of Election, Notice of Meeting and Special Meetings. Election procedures and notice of any meeting shall be conducted as set forth in the Articles of Incorporation and Bylaws of the Association.

7.16 Number of Board, Term of Office. The appointment, election and term of the Members of the Board are set forth in the Bylaws and Articles. Members of the Board of Directors may serve consecutive terms, and may also serve as officers of the Association.

7.17 Independent Accountant/Bookkeeper. The Association may retain the services of an independent accountant or bookkeeper to assist the Board of Directors and officers to maintain accurate financial records of the Association.

ARTICLE VIII

NONPAYMENT OF ASSESSMENTS & THE APPOINTMENT OF TRUSTEE

8.1 Delinquent Assessment. Any assessment not timely paid shall be delinquent, and the Association may invoke any and all remedies to recover said delinquent assessments including by: suit, judgment, lien, foreclosure, or other remedy authorized by the Governing Documents or the Act.

8.2 Due Date, Charges & Interest. Unless otherwise established by the Board, monthly assessments shall be due and payable on the first of each month and late if not received by the 10th of each month. The Board may charge a late fee in an amount set by the Board, but

not to exceed \$50, for each unpaid or late assessment. In addition to late fees, interest shall accrue on all unpaid balances, including prior, unpaid interest and attorney fees (resulting in compounding interest), late fees, and assessments at 18% per annum or 1.5% per month. The Board may also impose other reasonable charges imposed by a Manager related to collections.

8.3 Lien. Upon recording of a notice of lien on any Lot, there shall exist a perfected lien for unpaid assessments prior to all other liens, except: (1) all taxes, bonds, assessments, and other levies which by law would be superior thereto; and (2) the lien or charge of any first or second mortgage of record made in good faith and for value recorded prior to a recorded notice of lien by the Association.

8.4 Foreclosure. The Association shall have the power to bid for the Lot at foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. During the period in which a Lot is owned by the Association following foreclosure: (a) no right to vote shall be exercised on its behalf; (b) no assessment shall be charged or levied on it; and (c) each other Lot shall be charged, in addition to its usual assessment, its equal pro rata share of the assessment that would have been charged had such Lot not been acquired by the Association as a result of foreclosure. Suit to recover a money judgment for unpaid assessments and attorney fees shall be maintainable without foreclosing or waiving the lien securing the same.

8.5 Other Remedies. All rights and remedies of the Association shall be cumulative and the exercise of one right or remedy shall not preclude the exercise of any other right or remedy. The "One Action Rule" shall not be a defense to the enforcement of all rights and remedies of the Association. The Association may elect to bring an action to recover for a delinquent Assessment against the Owner or other obligee personally. Any attorney fees or costs incurred in these efforts shall also be assessed against the Owner(s), their Lot(s), and/or other obligees jointly and severally.

8.6 Payment by Tenant. The Association shall be entitled to demand and collect from a tenant of any Lot, the amount of any assessment that is more than sixty (60) days past due.

8.7 Attorney Fees. In addition to the recovery of costs and attorney fees as provided herein, the Association shall be entitled to recover all reasonable attorney fees and costs incurred as a result of an Owner breach of the Governing Documents, including meetings, research, memoranda, monitoring and other legal work incurred in response to an Owner breach or violation of the Governing Documents.

8.8 Appointment of Trustee. The Declarant hereby conveys and warrants pursuant to U.C.A. Sections 57-1-20 and 57-8a-402 to Burt R. Willie, Esq., a licensed member of the Utah State Bar, with power of sale, the Lot and all Improvements to the lot for the purpose of securing payment of assessments under the terms of this Declaration.

ARTICLE IX
SUBORDINATION OF LIEN TO INSTITUTIONAL
FIRST AND SECOND MORTGAGES

9.1 The lien of assessments, including interest, late charges (subject to the limitations of Utah law), and costs (including attorney fees) provided for herein, shall be subordinate to the lien of any institutional first or second mortgage of record made in good faith and for value, recorded prior to a recorded notice of lien by the Association. The sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to foreclosure of a prior, recorded institutional first or second mortgage shall extinguish the lien of such assessments as to payments that became due prior to such sale or transfer; provided, that to the extent there are any proceeds of the sale on foreclosure of such mortgage or by exercise of such power of sale in excess of all amounts necessary to satisfy all indebtedness secured by and owed to the holder of such mortgage, the lien shall apply to such excess. No sale or transfer shall relieve such Lot from lien rights for any assessments thereafter becoming due. Where the mortgagee holding an institutional first or second mortgage of record or other purchaser of a Lot obtains title pursuant to remedies under the mortgage, its successors and assigns shall not be liable for the share of the assessments by the Association chargeable to such Lot that became due prior to the acquisition of title to such Lot by such acquirer. No foreclosure, sale or transfer shall relieve any Owner who was the Owner prior to such foreclosure, sale or transfer from personal liability for any assessments due and owing prior to such foreclosure, sale or transfer.

ARTICLE X
USE LIMITATIONS & RESTRICTIONS

10.1 Single Family. All Lots shall be used only for single-family residential purposes, and no more than one Dwelling shall be constructed on any Lot. "Single Family" shall mean one household of persons related to each other by blood, marriage, or adoption, or one group of not more than three unrelated persons in a two bedroom Dwelling and not more than four unrelated persons in a three bedroom Dwelling. For purposes of this provision, only bedrooms on the upper level(s) shall be counted regardless of whether or not a basement exists.

10.2 Zoning Regulations. The lawfully enacted zoning regulations of the City and/or County, and any building, fire, and health codes are in full force and effect in the Project. No Lot may be occupied in a manner that is in violation of any statute, law or ordinance.

10.3 Licensed Contractor. Unless the Architectural Review Committee gives a written waiver of approval to an Owner, no Improvement may be constructed, remodeled or altered on any Lot except by a licensed contractor, duly qualified and licensed by the appropriate governmental authorities.

10.4 No 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 (a) the Declarant, or other builders, from using one or more Lots for purposes of a construction office or sales office during the actual period of construction of the Subdivision Improvements or until 100% of the Lots are sold in the Subdivision, whichever occurs later, or (b) the use by any Owner of his Lot for a home occupation pursuant to City or County ordinance. Businesses, professions or trades may not require heavy equipment or create a nuisance within the Project, and may not noticeably increase the traffic flow to the project.

10.5 Restriction on Signs. The Subdivision may be identified by permanent signs to be installed by Declarant, at Declarant's discretion. No signs will be permitted on any Lot or within the Subdivision, except for traffic control signs placed by the City, temporary signs warning of some immediate danger, or signs not in excess of eight square feet identifying the contractor and/or architect of any Dwelling while it is under construction. Signs indicating the Lot is for sale may be placed in accordance with City sign regulations. The Declarant may erect a sign at the entrances 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 any Lot may be installed without the advance consent of the Architectural Review Committee.

10.6 Completion Required Before Occupancy. No Dwelling may be occupied prior to its completion and the issuance of a certificate of occupancy by the City and/or County.

10.7 Dwelling to be Constructed First. No garage, out building or other Improvement may be constructed prior to the construction of Dwelling on the Lot.

10.8 Underground Utilities. All gas, electrical, telephone, television, and any other utility lines in the Project are to be underground, including lines within any Lot which service installations entirely within that Lot. No above-ground propane tanks may be installed on any Lot.

10.9 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 Dwelling must be connected to the sanitary sewer system.

10.10 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.

10.11 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, a bed and breakfast, or other uses for providing accommodations to travelers. No leases of any Dwelling on a Lot shall be for a period of less than six months. No Dwelling on a Lot shall be subjected to time interval ownership.

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

10.13 Combination of Lots. No Lot may be combined with another Lot without the consent of the Architectural Review Committee.

10.14 Construction. No Dwelling or structure shall be permitted to remain incomplete for a period in excess of one (1) year from the date of commencement of construction unless any delays are approved in writing by the ACC.

10.15 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 a state of disrepair.

10.16 No Noxious or Offensive Activity. No noxious or offensive activity shall be carried out on any Lot or the Project, including the creation of loud or offensive noises or odors that detract from the reasonable enjoyment of nearby Lots. No Owner or occupant shall engage in activity within the Project in violation of any law, ordinance, statute, rule or regulation of any local, county, state or federal body.

10.17 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, which would cause the cancellation of 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 property supervised and contained).

10.18 No Unsightliness. No unsightliness is permitted on any Lot. This shall include, without limitation, the open storage of any building materials (except during construction of an Improvement); open storage or parking of construction equipment; open storage or parking of vehicles, trailers or other pieces of equipment that are unusable, in poor condition or unsightly; accumulations of lawn or tree clippings or trimmings; accumulations of construction debris or waste; and the storage or accumulation of any other material that is unsightly.

10.19 Garbage. All garbage, rubbish, and trash shall be kept in covered containers. In no event shall such containers be maintained so as to be visible for neighboring Lots, roadways and Common Areas. The storage, collection and disposal of garbage, rubbish and trash shall be in strict compliance with applicable laws and the Rules of the Board.

10.20 No Annoying Lights. No outdoor lighting shall be permitted except for lighting that is designed to aim downward and reasonably 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 and/or County. Holiday or seasonal decorative lights, that otherwise comply with the terms of the Governing Documents, are permitted.

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

10.22 Livestock, Poultry and Pets. No animals, livestock, or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other household pets (maximum of two) may be kept provided that they are not kept, bred or maintained for any commercial purpose and are restricted to the owner's control. "Control" for the above purposes shall only mean on a leash or lead, within a vehicle, within the Dwelling of the Owner, or within confines on the premises of the Owner. Pet owners shall promptly remove and dispose of all excrement emitted by their pets. Fierce, dangerous or vicious animals or animals that cause a nuisance by barking or other offensive activity shall not be permitted. Failure to abide by these conditions shall result in fines as authorized by the Board.

10.23 Landscaping. The front, side yard and backyard of each Lot must be fully landscaped within one (1) year of occupancy of each corresponding Dwelling. The Owner shall submit a landscaping plan to the ACC and receive approval of said plan prior to commencement of any such landscaping. Vegetation within any Lot shall be planted and maintained in good condition by the Owner. Prior written permission must be obtained by the ACC to materially modify exterior landscaping on any Lot.

10.24 Fencing. Any fencing must be constructed of iron, wood or high-quality vinyl or synthetic material in harmony with the Dwelling and surrounding area, and subject to written approval from the ACC prior to construction. No barbwire or chain link is permitted. Height of any fencing may not exceed six (6) feet from natural grade.

10.25 Vehicles & Parking. No vehicles are to be parked or stored on the front or side streets or lanes within the Project. Vehicles parked in driveways of the Lots must be in running condition, properly licensed, regularly used and in compliance with City and/or County ordinances, and no more than one average size vehicle may be parked in the driveway overnight without permission from the Board (which may be given in the Board's sole discretion on a temporary basis). No recreational vehicles, campers, motorcycles, atvs, trailers, boats, or similar vehicles may be parked or stored in the driveways, streets, lanes or elsewhere within the Project.

Recreational vehicles, campers, motorcycles, atvs, trailers, boats, and similar vehicles must be parked or stored in the garage. No resident shall repair or restore any vehicles of any kind in, on or about any Lot or the Common Areas, except for emergency repairs, and then only to the extent necessary to enable movement thereof to a proper repair facility.

The Association reserves the right to adopt Rules relating to the parking of vehicles within the Project including, without limitation: (1) the right to immediately remove or cause to be removed any vehicles that are improperly parked, (2) restrictions on the time period and duration that any guest or visitor parking may be utilized; (3) restrictions or bans on vehicles without Department of Transportation compliant mufflers and exhaust systems, and (4) the assessment of fines to Owners and occupants who violate such Rules.

10.26 Exterior Antennas and Satellite Dishes. Prior, written approval from the ACC as to the location of any new satellite dishes, antennas, cables and related hardware is required.

10.27 Temporary Structures. No Owner or resident shall place upon any part of the Project any temporary structures including, but not limited to tents, trailers, or sheds, without the prior written consent of the Board of Directors.

10.28 Energy Conservation Equipment. No solar energy device, solar energy collector panels, other energy conservation equipment or attendant hardware shall be constructed or installed within the Project without the prior written consent of the Board of Directors or ACC.

10.30 Approved Builder. During the Class B Control Period, only contractors approved in advance by Declarant, in its sole discretion, may construct Improvement(s) upon the Lots.

ARTICLE XI RENTAL/LEASE RESTRICTIONS

11.1 Declaration and Rules Governing Non-Owner Occupied Dwellings. Notwithstanding anything to the contrary in the Governing Documents, any leasing and non-owner occupancy of a Dwelling shall be governed by this section, Rules consistent with this section, and procedures adopted, as allowed in this section.

11.2 Non-Owner Occupation Is Prohibited. The Dwellings within the Project are intended to be Owner occupied and leasing, renting or occupation of Dwellings by non-owner occupants shall be prohibited. Notwithstanding, the Board, in its sole discretion, may make exceptions to this prohibition in the following circumstances:

- (a) A Dwelling occupied by a person in the military for the period of the Owner's deployment;

- (b) A Dwelling occupied by an immediate family member;
- (c) A Dwelling whose Owner (i) moves due to temporary (less than three years) humanitarian, religious, or charitable activity or service, and (ii) has the intent to return to occupy the Dwelling when the service has concluded;
- (d) A Dwelling whose Owner was relocated by the Owner's employer for a period of not less than two years;
- (e) A Dwelling owned by an Owner who uses the Dwelling as a primary residence and due to health reasons will be living in an assisted living, rehabilitation, or other long-term healthcare facility for one year or more;
- (f) A Dwelling owned by a trust or other entity created for estate planning purposes, a person occupying the Dwelling if the trust or other estate planning entity that owns the Dwelling was created for the estate of (i) a current occupant of the Dwelling; or (ii) the parent, child, or sibling of the current occupant of the Dwelling;
- (g) Individuals that are under contract and have commenced the process to construct a new home and are awaiting its completion; and
- (h) Other limited exceptions for extenuating circumstances, as determined by the Board, in its sole discretion.

11.3 Exemption of Declarant. At any time during the Class B Period, the non-owner occupancy restrictions do not apply to Declarant.

ARTICLE XII OWNERS' MAINTENANCE OBLIGATIONS

12.1 Duty to Maintain. It is the obligation of each Owner to maintain his Lot at all times in order to preserve and enhance the enjoyment of the Project.

12.2 Repairs 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 condition 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 demand that the Owner correct the condition within 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 mortgages. 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 lawful judgment rate under applicable state law.

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

12.4 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 ACC, provided however that alterations or deviations from the original 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 injury or dangerous conditions following loss or damage, before re-construction begins. Such temporary measures may be taken without the consent or approval of the ACC, provided that any such measure 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 90 days without repairs commencing and any damaged structure which does remain unrepaired after 90 days following the occurrence of damage is deemed a nuisance which may be abated by the Association.

ARTICLE XIII ARCHITECTURAL CONTROL COMMITTEE

13.1 Purpose & Creation. Following the Class B Period, the Board may create an Architectural Control Committee to impose architectural standards on the Improvements and landscaping to any Lot of a type and nature that result in buildings and yards which are architecturally and aesthetically compatible in terms of lot coverage, proportion, materials, colors and general appearance. The ACC shall not apply to the Declarant or Declarant Related Entities.

13.2 Variances. Any variance granted must be consistent with the intent of this Declaration. The ACC cannot grant any variance that has the effect of modifying applicable zoning or building code regulations. The burden of obtaining a variance is entirely on the applicant.

13.3 General Design Review. The ACC will use its best efforts to provide a consistent pattern of development, and consistent application of standards of this Declaration and the Project.

13.4 Architectural Review Fee. An architectural review fee may be charged in an amount determined by the Board that reflects the actual cost incurred by the Board or ACC. Declarant or Declarant Related Entities shall not be subject to architectural review fee.

13.5 Board and Committee not Liable. The Board and the ACC 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 ACC for review.

13.6 Exemption of Declarant & Declarant Related Entities. At any time during the Class B Period, Declarant & Declarant Related Entities need not submit or receive any approval from the ACC.

ARTICLE XIV INSURANCE

14.1 Insurance Requirement. The Association shall obtain insurance as required in this Declaration and as required by applicable law. The Association may obtain insurance that provides more or additional coverage than the insurance required in this Declaration. Different policies may be obtained from different insurance carriers and standalone policies may be purchased instead of or in addition to embedded, included coverage, or endorsements to other policies. EACH OWNER SHALL BE SOLELY RESPONSIBLE TO INSURE THE OWNER'S LOT AND DWELLING.

14.2 Property Insurance.

(a) Hazard Insurance.

(i) Blanket Policy of Property Insurance. The Association shall maintain a blanket policy of property insurance covering all Common Areas.

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

(2) Any blanket policy shall be in an amount not less than one hundred

percent (100%) of current replacement cost of all property covered by such policy at the time the insurance is purchased and at each renewal date. The actual replacement cost of the property shall be determined by using methods generally accepted in the insurance industry.

- (b) Associations Obligation to Segregate Property Insurance Deductible. The Association shall keep an amount equal to the Association's property insurance policy deductible or \$10,000, whichever is less. This requirement shall not apply to any earthquake or flood insurance deductible. If the amount held in this account is used to pay any deductible, it shall be replenished within (12) months.
- (c) Association's Right to Not Tender Claims that are Under the Deductible. If, in the exercise of its business judgment, the Board of Directors determines that a claim is likely not to exceed the Association's property insurance policy deductible the Association need not tender the claim to the Association's insurer.

14.3 Comprehensive General Liability (CGL) Insurance. The Association shall obtain CGL Insurance insuring the Association, the agents and employees of the Association, and the Owner, against liability incident to the use, ownership or maintenance of the Common Area, Limited Common Area or membership in the Association. The coverage limits under such policy shall not be less than One Million Dollars (\$1,000,000) covering all claims for death of or injury to any one person or property damage in any single occurrence. Such insurance shall contain a Severability of Interest Endorsement or equivalent coverage which would preclude the insurer from denying the claim of an Owner because of the negligent acts of the Association or another Owner.

14.4 Director's and Officer's Insurance. The Association shall obtain Directors' and Officers' liability insurance protecting the Board of Directors, the officers, and the Association against claims of wrongful acts, mismanagement, failure to maintain adequate reserves, failure to maintain books and records, failure to enforce the Governing Documents, and breach of contract (if available). The policy shall:

- (a) Include coverage for volunteers and employees;
- (b) Include coverage for monetary and non-monetary claims;
- (c) Provide for the coverage of claims made under any fair housing act or similar statute or that are based on any form of discrimination or civil rights claims; and
- (d) Provide coverage for defamation. In the discretion of the Board of Directors, the policy may also include coverage for any manager and any

employees of the manager and may provide that such coverage is secondary to any other policy that covers the manager or any employees of the manager.

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

14.6 Owner Act Cannot Void Coverage under Any Policy. An Owner's act or omission may not void an insurance policy or be a condition to recovery under a policy.

14.7 Waiver of Subrogation against Owners and Association. All property and CGL policies must contain a waiver of subrogation by the insurer as to any claims against the Association and the Owners and their respective agents and employees.

ARTICLE XV DAMAGE & DESTRUCTION

15.1 Immediately after damage or destruction by fire or other casualty to all or any part of the Common Areas covered by insurance written in the name of the Association, the Board, or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed Common Areas. Repair or reconstruction, as used in this paragraph, means repairing or restoring the Common Areas to substantially the same condition in which they existed prior to the fire or other casualty, allowing for any changes or improvements necessitated by changes in applicable building codes.

15.2 Any damage or destruction to the Common Areas shall be repaired or reconstructed unless Owners representing at least seventy-five (75%) percent of the total vote of the Association, shall decide within sixty (60) days after the casualty not to repair or reconstruct.

If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the costs of repair or reconstruction, or both, are not made available to the Association within said period, then the period shall be extended until such information shall be made available; provided, however, such extension shall not exceed sixty (60) additional days. No mortgagee shall have the right to participate in the determination of whether the damage or destruction to Common Areas shall be repaired or reconstructed; provided, however, this provision shall not apply to construction mortgagees providing construction financing for such damaged property.

15.3 In the event, that it should be determined in the manner described above that the damage or destruction to the Common Areas shall not be repaired or reconstructed and no alternative improvements are authorized, then and in that event the affected portion of the Common Areas shall be restored to their natural state and maintained by the Association, in a neat and attractive condition.

ARTICLE XVI DISBURSEMENT OF PROCEEDS

16.1 If the damage or destruction for which the proceeds of insurance policies are paid is to be repaired or reconstructed, the proceeds, or such portion thereof as may be required for such purpose, shall be disbursed in payment of such repairs or reconstruction as hereinafter provided. Any proceeds remaining after defraying such costs of repair or reconstruction to the Common Areas shall be retained by and for the benefit of the Association and placed in a capital improvements and/or reserve account. In the event no repair or reconstruction is made, any proceeds remaining after making such settlement as is necessary and appropriate with the affected Owner(s) shall be retained by and for the benefit of the Association and placed in a capital improvements and/or reserve account.

ARTICLE XVII REPAIR AND RECONSTRUCTION

17.1 If the damage or destruction to the Common Areas for which insurance proceeds are paid is to be repaired or reconstructed, and such proceeds are not sufficient to defray the cost thereof, the Board shall, without the necessity of a vote of the members, levy a special assessment against all Owners as provided in the Governing Documents.

ARTICLE XVIII CONDEMNATION

18.1 Whenever all or any part of the Common Areas shall be taken (or conveyed in lieu of and under threat of condemnation by the Board acting on the written direction of

members representing at least sixty-seven percent (67%) of the total Association vote by any authority having the power of condemnation or eminent domain), each Owner shall be entitled to notice thereof. The award made for such taking shall be payable to the Association as trustee for all Owners to be disbursed as follows: if the taking involves a portion of the Common Areas on which improvements have been constructed, then, unless within sixty (60) days after such taking the Owners representing at least sixty-seven percent (67%) of the total vote of the Association shall otherwise agree, the Association shall restore or replace such improvements so taken on the remaining land included in the Common Areas to the extent lands are available therefor, in accordance with plans approved by the Board of Directors of the Association. If the taking does not involve any improvements of the Common Areas, or if there is a decision made not to repair or restore, or if there are net funds remaining after any such restoration or replacement is completed, then such award or net funds shall be disbursed to the Association and used for such purposes as the Board shall determine.

ARTICLE XIX
ANNEXATION

19.1 Annexation. Additional phases of Subdivision may be added to the Property pursuant to the following procedures, and subject to the limitations as follows:

19.2 Annexation by Declarant. Declarant may from time to time and in its sole discretion expand the Property subject to this Declaration by the annexation of all or part of the lands initially constituting the Undeveloped Land. The annexation of any such land shall become effective upon the recordation in the office of the County Recorder of Davis County, Utah, of (a) a subdivision plat or map covering the land to be annexed and (b) a supplemental declaration which (i) describes the land to be annexed or incorporated by reference to the description contained in the subdivision plat, (ii) declares that the annexed land is to be held, sold, conveyed, encumbered, leased, occupied and improved as part of the property subject to this Declaration, (iii) sets forth such additional limitations, restrictions, covenants and conditions as are applicable to the annexed land, (iv) states which portions of the annexed land are Common Areas and which portions are Lots within any new land classification, provided that the nature and incidents of any such new land classification shall be fully set forth in such supplemental declaration or in another supplemental declaration previously filed with respect to some portion of the property, and (v) describes generally any improvements situated on the annexed land. When any such annexation becomes effective, the annexed land shall become part of the Subdivision and subject to this Declaration.

19.3 Limitation on Annexation. Declarant's right to annex land to the Property shall expire twenty (20) years after this Declaration was first filed for record in the office of the county recorder of Davis County, Utah.

19.4 Annexation by the Association. Following the Class B Control Period, the Association may annex land to the Subdivision by obtaining approval of such annexation from (a) the owner or owners of the land to be annexed and (b) 67% of the Owners. Nothing in this paragraph shall be construed to require any prior approval for, or to limit or present, any annexation performed by Declarant, so long as such annexation satisfies the limitations set forth herein.

19.5 No Obligation to Annex or Develop. Declarant has no obligation hereunder to annex any additional land to the Subdivision or to develop or preserve any portion of the Undeveloped Land in any particular way or according to any particular time schedule. No land other than the Property as defined on the date hereof and land annexed thereto in accordance with the terms of this Declaration shall be deemed to be subject to this Declaration, whether or not shown on any subdivision plat or map filed by Declarant or described or referred to in any documents executed or recorded by Declarant.

ARTICLE XX
MISCELLANEOUS PROVISIONS

20.1 Violation Deemed a Nuisance. Any violation of these covenants that is permitted to remain on the Property is deemed a nuisance, and is subject to abatement by the Association or by any other Owner.

(a) Any single or continuing violation of the covenants contained in this Declaration may be enjoined in an action brought by an Owner or by the Association. 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 reasonable attorney 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. This Declaration is 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 contents contained in this Declaration in the future or against other similar violations.

20.2 Repurchase Option for Construction Defect Claims. In the event any Owner, either directly or through the Association, shall commence action against Declarant or Declarant Related Entity in connection with any alleged construction defects in such Owner's Dwelling, Declarant or Declarant Related Entity shall have the option, but not the obligation, to purchase such Dwelling on the following terms and conditions:

(a) The purchase price shall be an amount equal to the sum of the following, less any sums paid to such Owner under any homeowner's warranty, in connection with the alleged defect:

(i) The purchase price paid by the original Owner of the Unit when originally purchased from Declarant or Declarant Related Entity;

(ii) The value of any improvements made to the Unit by anyone other than Declarant or Declarant Related Entity;

(iii) The Owner's reasonable moving costs; and

(iv) Any closing costs incurred by the Owner in connection with the purchase of another primary residence within ninety (90) days after closing of repurchase provided for herein.

(b) Close of escrow shall occur not later than forty-five (45) days after written notice from Declarant or Declarant Related Entity to the Owner of Declarant's or Declarant Related Entity's intent to exercise the option herein.

(c) Title shall be conveyed to Declarant or Declarant Related Entity free and clear of all monetary liens and encumbrances other than non-delinquent real estate taxes.

(d) All closing costs in connection with the repurchase shall be paid by the Declarant or Declarant Related Entity.

(e) Exercise of the repurchase option as provided for herein above shall constitute full and final satisfaction of all claims relating to the subject Dwelling. The Owner (or Association, as applicable) shall promptly execute and deliver any notice of dismissal or other document necessary or appropriate to evidence such satisfaction.

(f) Declarant's or Declarant Related Entity's option to repurchase granted pursuant to this Article with respect to any particular Dwelling shall automatically terminate upon the expiration of the last applicable statute of limitations applicable to any construction or warranty claim governing such Dwelling including all applicable tolling periods.

20.3 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.

20.4 Limited Liability. Neither the Declarant, the Board, nor the Architectural Review Committee or its individual members, nor any 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 these covenants, and without malice.

20.5 Consent, Power of Attorney, Waiver. By acceptance of a deed, lease, or other conveyance of an interest in Dwelling, each Owner or Occupant consents to the rights reserved to the Association in this Declaration, including but not limited to, the right to prepare, execute, file, process, and record necessary and appropriated documents and other items to establish and grant easements and to make necessary and appropriate amendments of this Declaration, the Plat and Bylaws. By such acceptance, each Owner or Occupant agrees to execute all documents and to do all other things as may be necessary or convenient to effect the same; and such acceptance shall be deemed an appointment of the Association, with full right of substitution, as the attorney-in-fact of such Owner or Occupant to execute such documents and to do such things on Owner's or Occupant's behalf; and such appointment, being coupled with an interest, shall be irrevocable for the specific period of the Association's reserved rights as set forth in this Declaration and shall not be affected by the disability of any such Owner or Occupant.

20.6 No Representations and Warranties. EACH OWNER AND OCCUPANT UNDERSTANDS, AGREES, AND ACKNOWLEDGES THROUGH TAKING TITLE OR RESIDING IN THE PROJECT THAT THE DECLARANT, ASSOCIATION, AND THE BOARD OF DIRECTORS HAVE NOT MADE ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND RELATED TO THE PROJECT AND THAT EACH OWNER OR OCCUPANT HAS NOT RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO THE PROJECT.

20.7 Conflicting Provisions. In the case of any conflict between the Governing Documents, the order of priority from the highest to the lowest shall be the Declaration, the Plat, the Articles, Bylaws, and then the Rules.

20.8 Amendment. At any time while this Declaration is in effect, the covenants herein contained can be modified by the Declarant or Declarant's successors and assigns during the Class B Period at the sole discretion of the Declarant. Thereafter, the covenants herein contained can only be modified by the affirmative vote of the Owners representing not less than sixty-seven (67%) percent of the total votes of the Association. No meeting or voting shall be required for an amendment, if the required, written consent is obtained from the requisite number of Owners.

20.9 Constructive Notice. Every person who owns, occupies or acquires any right, title or interest in any Lot in the Project 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 provision of this Declaration against his/her Lot, whether or not there is any reference to this Declaration in the instrument by which he/she acquires interest in any Lot.

20.10 Notices. All notices under this Declaration are provided as set forth in the Bylaws.

20.11 Liberal Interpretation. The provisions of this Declaration shall be interpreted liberally to further the goal of creating a uniform plan for the development of the Project. 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.

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Executed on the date stated above.

Ovation Homes, LLC, a Utah limited liability company

Norman L. Frost
By: Norman L. Frost
Its: Member

STATE OF UTAH)

: ss

COUNTY OF Davis)

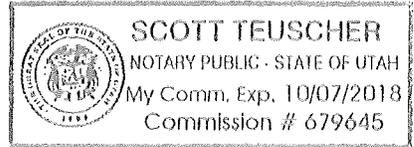
On this 22 day of Dec, 2015, personally appeared before me Norman L. Frost, who being by me duly sworn, did say that he is a Member of Ovation Homes, LLC, a Utah limited liability company, and that the within and foregoing instrument was signed on behalf of said limited liability company by authority and said member duly acknowledged to me that said limited liability company approved the same.

Scott Teuscher
Notary Public

Executed on the date stated above.

Ovation Homes, LLC, a Utah limited liability company

Brad Frost
By: Brad Frost
Its: Member



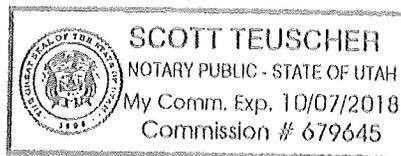
STATE OF UTAH)

: ss

COUNTY OF Davis)

On this 22 day of Dec, 2015, personally appeared before me Brad Frost, who being by me duly sworn, did say that he is a Member of Ovation Homes, LLC, a Utah limited liability company, and that the within and foregoing instrument was signed on behalf of said limited liability company by authority and said member duly acknowledged to me that said limited liability company approved the same.

Scott Teuscher
Notary Public



Executed on the date stated above.

Ovation Homes, LLC, a Utah limited liability company



By: David Bird
Its: Member

STATE OF UTAH)

: ss

COUNTY OF Deuel)

On this 22 day of Dec, 2015, personally appeared before me David Bird, who being by me duly sworn, did say that he is a Member of Ovation Homes, LLC, a Utah limited liability company, and that the within and foregoing instrument was signed on behalf of said limited liability company by authority and said member duly acknowledged to me that said limited liability company approved the same.



Notary Public

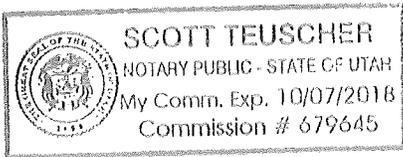


EXHIBIT "A"

Bylaws

**BYLAWS
OF
COTTAGES AT VALLEY VIEW
HOMEOWNERS ASSOCIATION, INC.**

The following are the Bylaws of Cottages at Valley View Homeowners Association, Inc., a Utah nonprofit corporation (the "Association"). Upon recordation of these Bylaws, they are binding upon the Association and all present and future Owners and/or occupants.

**ARTICLE I
DEFINITIONS**

Section 1.1 Definitions. All terms used but not defined herein shall have the meanings given them under that certain Declaration of Covenants, Conditions & Restrictions for Cottage at Valley View, of even date and recorded in the Official Records of the Davis County Recorder's Office (hereinafter referred to as the "Declaration"), and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein, as if set forth herein at length. The term "Owner" shall mean and refer to those persons entitled to membership in the Association, as provided in the Declaration and Articles of Incorporation of the Association.

**ARTICLE II
MEETINGS OF OWNERS**

Section 2.1 Annual Meetings. An annual meeting of the Owners shall be held no less than once each calendar year. Unless otherwise determined by the Board, the annual meeting of the Owners shall be held on the second Tuesday in August of each year at a location and time designated by the Board. The Board may modify the date, time and location of the annual meeting in accordance with Section 2.3 below.

Section 2.2 Special Meetings. Special meetings of the Owners may be called at the request of the Board, or upon written request of the Owners holding at least twenty-five percent (25%) of the total membership, as defined in the Declaration.

Section 2.3 Notice of Meetings. Unless an Owner requests in writing that all notices be provided to said Owner by U.S. mail, all notices shall be given by, or at the direction of, the Board via: (1) email or other electronic communication. Notice, subject to Section 2.4, shall be provided at least ten (10) days before a meeting, but no more than sixty (60) days, to each Owner entitled to vote at the email or electronic address provided by the Owner to the Board. Said notice is effective upon sending the email or electronic communication. Such notice shall specify the location, day and time of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 2.4 Quorum. The quorum required for any action by the Owners hereunder, unless otherwise specifically set forth in the Declaration, shall be as follows: at each scheduled meeting called, the presence of Owners holding, or holders of proxies entitled to cast, at least twenty-five percent (25%) of all outstanding votes shall constitute a quorum for the transaction of business. If a quorum is not met, the meeting shall be postponed to a date of not more than thirty (30) days and not less than twenty-four (24) hours at which time the Owners and proxies present shall constitute a quorum for transacting business. In the case of any postponement, no notice of such rescheduled meeting shall be required except an announcement thereof at the original meeting and an electronic notification with the new meeting time, date and location to those Owners who have previously provided an email or other electronic means to the Association for notice purposes.

Section 2.5 Proxies. At all meetings of Owners, each Owner may vote in person or by proxy. All proxies shall be in writing, signed by the Owner, and filed with the Board on or before said meeting. Notwithstanding, any proxy delivered to the Board at the meeting must be provided no later than any point in the meeting announced as the final time to deliver proxies. Every proxy shall be revocable and shall automatically terminate upon conveyance by the Owner of his Lot. If conflicting proxy votes for an Owner or Lot exist, said proxy votes will not be counted.

Section 2.6 Conduct of Meetings. The President, or in his absence the Vice President, shall preside over all meetings. The Secretary or other authorized person shall keep minutes of all meetings and maintain a record of the minutes including, but not limited to: election of directors, adopted resolutions, adopted Rules and other matters coming before the Owners.

Section 2.7 Action Taken Without a Meeting. Any action that may be taken at any annual or special meeting of members may be taken without a meeting and without prior notice, if one or more consents in writing, setting forth the action taken, are signed by the members having not less than the minimum voting power that would be necessary to authorize or take the action at a meeting at which all members entitled to vote on the action were present and voted.

In addition, the Board may obtain approvals and conduct business through mail or email/electronic ballots. The ballot must set forth each proposed action and provide the option of voting for or against each proposed action with the requisite number of members approving the action that would be necessary to authorize or take the action at a meeting at which all members entitled to vote on the action were present and voted. The ballot must specify the period during which the Association shall accept written ballots for counting. Following this period, the Association shall provide notice of whether such action was or was not approved.

An Owner may revoke a prior consent if the revocation is provided to the Board in writing and is received by the Board prior to the effectiveness of the action taken, as provided for in this Section.

Section 2.8 Voting. Only an Owner that is current on all assessments and charges due and owing shall be deemed in good standing and entitled to vote at any annual or special meeting.

The Association shall have two (2) classes of voting membership, Class "A" and Class "B," as set forth in the Declaration:

Since an Owner may be more than one Person, if only one of such Person(s) is present at the meeting of the Association that Person shall be entitled to cast all votes appertaining to that Lot. But if more than one of such Person(s) is present, the votes appertaining to that Lot shall be cast only in accordance with the agreement of a majority of them, and such consent shall be conclusively presumed if any one of them purports to cast the votes appertaining to that Lot without protest being made forthwith by any of the others to the person presiding over the meeting. The votes appurtenant to any one Lot may not be divided between Owners of such Lot or with respect to matters before the Association, and all such votes appurtenant to any one Lot shall be voted in one block. If the vote of a majority of the owners of a Lot cannot be determined, no vote shall be cast in relation to such Lot.

The Association shall honor the vote of a trustee or successor trustee of any trust that is an Owner and shall honor the vote of an individual that is a holder of a Limited or General Durable Power of Attorney with respect to an Owner who is disabled or unavailable as though such vote were the vote of the Owner.

ARTICLE III BOARD, SELECTION AND TERM OF OFFICE

Section 3.1 Number & Tenure. Except for the Initial Board selected by Declarant which consists of three members, and their successors, that may hold office so long as Class B membership specified in the Declaration exists, the affairs of the Association shall be managed by a Board of Directors composed of three (3) individuals ("Board"). At the first meeting of the Owners at which the election of Directors will take place following the Class B Control Period, the candidate who receives the most votes shall serve as a Director for three (3) years. The candidate that receives the second highest number of votes shall serve as a Director for two (2) years, and the third candidate who receives the third highest number of votes shall serve as Director for one (1) year. At each annual election, the successor to the Director whose term shall expire in that year shall be elected to hold office for the term of (3) years. Any change in the number of Directors may be made only by amendment of these Bylaws. The members of the Board of Directors shall serve until their respective successors are elected, or until their death, resignation or removal.

Section 3.2 Eligibility. Following the Class B Control Period, all members of the Board shall be Owners.

Section 3.3 Resignation & Removal. A Director may resign at any time by delivering a written resignation to either the President or the Board. Unless otherwise specified therein, such resignation shall take effect upon delivery. Any Director, except during Class B Control Period, may be removed from the Board, with or without cause, by a vote of at least (51%) of the Owners of the Association. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining Directors and shall serve for the unexpired term of his predecessor.

Section 3.4 Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 3.5 Action Taken Without a Meeting. The Directors may take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all Directors. Any action so approved shall have the same effect as though taken at a meeting of the Board.

Section 3.6 No Estoppel or Reliance. No one may rely upon any authorization (from the Board or otherwise) contrary to the terms and conditions of the Governing Documents regardless of circumstances. No claim of estoppel, waiver or similar equitable claims or defense may be raised by anyone related to any alleged reliance.

Section 3.7 Records Retention. The Board shall take appropriate action to develop, implement and update procedures for record retention. The Board should maintain documents in a manner to be easily accessible and copied. The Board may budget specifically for this expense and may seek the advice of consultants in developing retention procedures.

ARTICLE IV NOMINATION AND ELECTION OF DIRECTORS

Section 4.1 Nomination. Following the Class B Control Period, nomination for election to the Board may be made by the Board or by Owners from the floor at the annual meeting. The Board shall accept as many nominations as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

Section 4.2 Election. Following the Class B Control Period, the election of Directors shall be by written ballot, which need not, but may be, secret, as determined at the discretion of the Board. The persons receiving the largest number of votes shall be elected. Cumulative voting is not authorized.

ARTICLE V MEETINGS OF THE BOARD

Section 5.1 Regular Meetings. Regular meetings of the Board shall be held at least annually, or more frequently as determined by the Board. All notices shall be provided

by email or other electronic means. Directors are required to provide an email or electronic address for purposes of notice of Board meetings. Notice shall be provided at least five (5) days before a meeting, but no more than thirty (30) days.

Owners may attend regular board meetings. Notwithstanding, the Board may limit Owners' comments and/or questions to a specific time period of time within the meeting and may exclude Owners when in executive session. The Board shall provide notice in accordance with the Act to Owners that have requested, in writing, to be notified of Board Meetings.

Section 5.2 Special Meetings. When, in the discretion of the President or two members of the Board, circumstances require that a meeting be held sooner than the required five (5) five' notice for a regular meeting, a special meeting may be called by the President or by any two (2) Directors, after not less than twenty-four (24) hours' notice to each Director.

Section 5.3 Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 5.4 Conduct of Meetings. The President, or in his absence the Vice President, shall preside over all meetings. The Secretary or other authorized person shall keep minutes of all meetings and maintain a record of the minutes including, but not limited to: election of Officers, adopted resolutions, adopted Rules and other non-privileged matters coming before the Directors. The Board shall keep a copy of all approved minutes and make them reasonably available to Owners upon their written request. Corrections and/or changes to the minutes shall be made at the next meeting of the Board

ARTICLE VI

POWERS AND DUTIES OF THE BOARD

Section 6.1 Powers and Duties. The Board shall have all of the powers and duties necessary for the administration of the affairs of the Association in accordance with the provisions of the Declaration and as outlined below. The Board may delegate its authority to a manager or managers, subject to any limitations or provisions contained in the Declaration, the Board shall be responsible for a number of activities including, but not limited to the following:

- (a) Management of the Association;
- (b) Preparation of annual assessments and budget;
- (c) Collection of assessments;
- (d) Maintenance of a bank account for the Association and designating required signatories;
- (e) Maintenance of the Common Areas and Facilities;
- (f) Maintenance of any private roadways;
- (g) Maintenance of any private irrigation system or other private utility;

- (h) Adoption and amendment of rules and regulations;
- (i) Enforcement of the Declaration, including the retention of legal counsel;
- (j) Commencement of legal action when necessary;
- (k) Imposition of fines, sanctions and citations;
- (l) Payment of any amount necessary to discharge any mechanic's or materialman's lien or other encumbrance levied against the Common Area or Facilities;
- (m) Purchase of and maintenance of insurance;
- (n) Maintenance of books and records of the Association;
- (o) Emergency repairs;
- (p) Maintenance of parking;
- (q) Adoption of reasonable pet restrictions; and
- (r) Performance of other actions and duties to enforce the terms and conditions of the Declaration and effectively manage the Association.

ARTICLE VII OFFICERS AND THEIR DUTIES

Section 7.1 Enumeration of Officers. The officers of this Association shall be a president, vice-president and secretary, who shall at all times be members of the Board, a treasurer or such other officer as the Board may from time to time, by resolution, create.

Section 7.2 Election of Officers. Following the Class B Period, the election of officers shall take place at the first Board meeting following the annual meeting of the Owners. Elected officers shall serve in their office for a period of one (1) year. Notwithstanding, nothing in these Bylaws prevent an officer or directors from being re-elected to their respective positions.

Section 7.3 Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine. Appointed officers, which do not include the elected or appointed Board of Directors, must be: Owners; may not vote; and may be removed by the Board at any time, with or without cause.

Section 7.4 Resignation and Removal. Any officer may resign at any time by delivering a written resignation to any Director or to any Manager. Unless otherwise specified therein, such resignation shall take effect upon delivery. Any officer may be removed and replaced by a majority of the Board of Directors at any time, with or without cause. In the event of death, resignation or removal of an officer, his successor shall be selected by the Board and shall serve for the unexpired term of his predecessor.

Section 7.5 Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices, except temporarily in the case of special offices created pursuant to Section 7.3 of this Article or the death, resignation or removal of an officer.

Section 7.6 Duties. Unless modified by resolution of the Board, the duties of the officers are as follows:

President: The president shall preside at all meetings of the Board and shall see that orders and resolutions of the Board and/or the Owners are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes on behalf of the Association.

Vice-President: The vice-president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary/Treasurer: The secretary/treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board; shall co-sign all checks and promissory notes of the association; keep proper books of account; if the Board deems appropriate, cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Owners.

ARTICLE VIII COMMITTEES

Section 8.1 Committees. The Board may, if it elects, appoint such committees as deemed appropriate in carrying out its purposes, including appointment of an Architectural Review Board. A committee shall not have any powers, duties, or responsibilities beyond those specifically assigned by the Board. The Board may terminate any committee at any time.

ARTICLE IX INDEMNIFICATION

Section 9.1 Indemnification. No Director, officer, or member of a committee shall be personally liable for any obligations of the Association or for any duties or obligations arising out of any acts or conduct of said Director, officer, or committee member performed for or on behalf of the Association. The Association shall and does hereby indemnify and hold harmless each person who shall serve at any time as a Director, officer of the Association, or a member of a duly formed committee, as well as such person's heirs and administrators, from and against any and all claims, judgments, and liabilities to which such persons shall become subject, by reason of that person having heretofore or hereafter been a Director, officer of the Association, or member of a committee or by reason of any action alleged to have been heretofore or hereafter taken or omitted to have been taken by him/her as such Director, officer, or committee member, and shall advance and reimburse any such person for all legal and other expenses

reasonably incurred in connection with any such claim or liability; provided that the Association shall have the right, in its sole discretion, to defend such person from all suits or claims; provided further. However, that no such person shall be indemnified against or be reimbursed for or be defended against any expense or liability incurred in connection with any claim or action arising out of such person's intentional misconduct. The rights accruing to any person under the foregoing provisions of this section shall not exclude any other right to which such person may lawfully be entitled, nor shall anything herein contained restrict the right of the Association to indemnify or reimburse such person in any proper case, even though not specifically provided for herein or otherwise permitted.

Section 9.2 Settlement of Association. The right of any person to be indemnified shall be subject always to the right of the Association by the Board of Directors, in lieu of such indemnity, to settle any such claim, action, suit, or proceeding at the expense of the Association by the payment of the amount of such settlement and the costs and expenses incurred in connection therewith.

ARTICLE X AMENDMENTS, ORDER OF PRECEDENCE

Section 10.1 Waiver of Procedural Irregularities. All inaccuracies and irregularities in calls or notices of meetings, in the manner of voting, in the form of proxies, in the method of asserting persons present, in the method of making decisions, or in the method of accepting or counting votes shall be deemed waived under the following circumstances:

- (a) If the objecting person was in attendance at the meeting – they are waived if the issue upon which the objection was based was perceptible and no objection to the particular procedural issue is made at the meeting; or
- (b) If the objecting person was not in attendance at the meeting but has proper notice of the meeting, they are waived; or
- (c) If the objecting person was not in attendance at a meeting, did not have proper notice of the meeting, but had actual notice of the meeting before it occurred, they are waived; or
- (d) If the objecting person was not in attendance at the meeting and did not have actual and proper notice of the meeting before it occurred, within 60 days of receiving actual notice of the occurrence of the meeting or of any decision that was made at the meeting; or
- (e) For any action, vote, or decision that occurred without a meeting, within 60 days of receiving actual notice of the occurrence of the action, vote, or decision.

Section 10.2 Requirements for Objections. All objections except those made at a meeting shall be in writing. Whenever made, objections must be specific and shall include identification of the specific provision of the Governing Documents or other law that is alleged to have been violated and a brief statement of the facts supporting the claimed violation.

Section 10.3 Irregularities that Cannot Be Waived. The following irregularities cannot be waived under the prior subsection:

- (a) Any failure to comply with the provisions of the Declaration;
- (b) Any failure to obtain the proper number of votes required to pass a particular measure; or
- (c) Any irregularity that is the result of fraud or that was done knowingly and intentionally in violation the applicable standards.

ARTICLE XI AMENDMENTS, ORDER OF PRECEDENCE

Section 11.1 Amendment. Following the Class B Period, these Bylaws may be amended, at a regular or special meeting of the Owners, by Owners holding at fifty-one percent (51%) of the total membership or by the written consent of at least fifty-one percent (51%) of the total membership. An amendment to these Bylaws shall be effective immediately upon recordation in the Office of the Davis County Recorder, State of Utah. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XII FISCAL YEAR

Section 12.1 Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

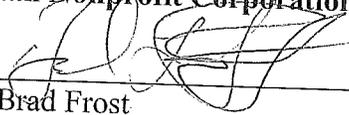
The foregoing Bylaws are adopted by the undersigned and made effective upon recordation in the Office of the Davis County Recorder, State of Utah.

**COTTAGES AT VALLEY VIEW HOMEOWNERS ASSOCIATION, INC.
A Utah Nonprofit Corporation**

By: 
Norm Frost

Its: Board Member

**COTTAGES AT VALLEY VIEW HOMEOWNERS ASSOCIATION, INC.
A Utah Nonprofit Corporation**

By: 
Brad Frost

Its: Board Member

**COTTAGES AT VALLEY VIEW HOMEOWNERS ASSOCIATION, INC.
A Utah Nonprofit Corporation**

By: 
David Bird

Its: Board Member

EXHIBIT "B"

Undeveloped Land

PART OF THE SOUTH HALF OF SECTION 14, SOUTHEAST QUARTER OF SECTION 15, NORTHWEST QUARTER OF SECTION 23, AND THE NORTHEAST QUARTER OF SECTION 22, TOWNSHIP 4 NORTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN, U.S. SURVEY. DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF LOT 5 OF ADAMS PARK SUBDIVISION, SAID POINT BEING N89°55'45"E ALONG THE SECTION LINE, 1102.81 FEET AND N00°04'15"W 198.87 FEET FROM THE SOUTHWEST CORNER OF SECTION 14; THENCE ALONG A CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 749.45 FEET, A RADIUS OF 1260.00 FEET, A CHORD BEARING OF N64°13'05"E, AND A CHORD LENGTH OF 738.45 FEET; THENCE ALONG A REVERSE CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 149.28 FEET, A RADIUS OF 1340.00 FEET, A CHORD BEARING OF N50°22'12"E, AND A CHORD LENGTH OF 149.21 FEET; THENCE N24°54'02"W 25.24 FEET; THENCE N64°42'00"E 1181.25 FEET; THENCE S00°12'00"W 71.42 FEET; THENCE N75°53'23"E 408.41 FEET; THENCE S79°57'03"E 316.07 FEET; THENCE S62°26'40"W 1500.90 FEET; THENCE S36°47'20"E 273.69 FEET; THENCE S52°21'37"W 219.38 FEET; THENCE S54°03'05"W 165.16 FEET; THENCE S60°54'58"W 50.56 FEET; THENCE S67°35'17"W 40.75 FEET; THENCE S77°11'48"W 83.70 FEET; THENCE S74°30'03"W 469.98 FEET; THENCE N85°03'39"W 1783.28 FEET; THENCE N02°40'43"E 55.96 FEET; THENCE N81°33'37"E 214.22 FEET; THENCE ALONG A CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 241.81 FEET, A RADIUS OF 1506.25 FEET, A CHORD BEARING OF S86°49'50"E, AND A CHORD LENGTH OF 241.55 FEET; THENCE N88°33'04"E 359.72 FEET; THENCE N07°48'26"W 95.84 FEET; THENCE N81°15'28"E 526.79 FEET TO THE POINT OF BEGINNING.

CONTAINING 1,438,866 SQUARE FEET OR 33.032 ACRES



November 10, 2015

Keith Bladen
UDOT Region 1
166 Southwell St.
Ogden, UT 84404
(801) 620-1604
kbladen@utah.gov

Subject: The Cottages @ Havenwood – West Bountiful, UT - Trip Generation Letter

At the request of our client; Ovation Homes, Reeve & Associates was asked to perform a traffic generation analysis involving the proposed Senior Housing development located at approximately 680 West and Pages Lane in West Bountiful, UT. The proposed residential development is to construct 39 Senior Adult Housing – detached units.

The number of passenger vehicle trips that will be generated for the proposed residential development was determined using trip generation figures obtained from ITE Trip Generation Manual 9th Edition. For this Trip Generation letter, Senior Adult Housing - Detached (251) was the figure used. It is assumed that 0.29 A.M. trips per hour are generated per dwelling unit and 0.34 P.M. trips per hour generated per dwelling unit.

The proposed residential development will have 39 dwelling units. The proposed trip generation based on 39 dwelling units is 12 trips per hour during A.M. peak hour flow and 14 trips per hour during P.M. peak hour flow. It was assumed that during the AM hours 43% of the traffic is entering while 57% is exiting, while in the PM hours 56% is entering and 44% is exiting. It was concluded that during the AM peak hour, the proposed development will generate 5 trips per hour entering the site and 7 trips per hour exiting the site while in the PM peak hour, it would generate 8 trips entering the site and 6 trips exiting the site.

See Table 1 below to see the overall results of the Trip Generation.

Table 1 –Vehicle Trip Generation

<i>Peak</i>	<i>Generated Trips/Peak Hour</i>	<i>Trips Entering</i>	<i>Trips Exiting</i>
<i>AM</i>	12	5	7
<i>PM</i>	14	8	6



In conclusion, the proposed Senior Adult Housing will generate a total of 5 entering and 7 exiting trips during the AM peak hour and 8 entering and 6 exiting during the PM peak hour.

If you have any questions or if we can be of further assistance, please let us know.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Nate Reeve', with a long, sweeping horizontal stroke at the end.

Nate Reeve, P.E.
Principal Engineer
Reeve & Associates, Inc.

A handwritten signature in blue ink, appearing to read 'Thomas Hunt', with a stylized, cursive script.

Thomas Hunt, E.I.T.
Civil Engineer
Reeve & Associates, Inc.

