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Arcadia Properties LLC	
PO Box 710	
Draper , Utah 84020	_

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR NEWTON FARM

This DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR NEWTON FARM SUBDIVISION ("Declaration") is made by Arcadia Properties LLC, a Utah limited liability company ("Declarant"), with the consent of the owners listed on the signature pages, on the date set forth below.

RECITALS

- A. The Declarant and those other individuals and or / entities consenting to this Declaration are the owners of certain real property located in the West Valley City ("City"), Salt Lake County ("County"), State of Utah more particularly described on <u>Exhibit A</u> attached hereto ("Property"). Declarant is developing the Property as a residential subdivision to be known as the Newton Farm Subdivision ("Project"). The Project shall be subdivided into individual single-family lots ("Lots") together with streets and certain other areas to be dedicated to the City.
- B. Declarant intends to subject the Property to mutually beneficial restrictions under a common scheme and plan for the possession, use, enjoyment, repair, maintenance, and improvement of the Property and the undersigned owners consent to the same.
- C. Declarant has adopted the covenants, conditions, restrictions, easements, servitudes, and limitations set forth in this Declaration (collectively, the "Covenants") for the purpose of:
 - i. Helping to insure uniformity in the development of the Lots;
 - ii. Creating certain covenants and use restrictions to help protect long-term property values and a desired quality of life in the Project;
 - iii. Facilitating the initial sale of Lots by the Declarant, its successors and assigns, and subsequent sale by the individual Owners of Lots in the Project, by assuring

purchasers of uniformity and basic restrictions intended to preserve property values over time; and

iv. Providing for mandatory dispute resolution procedures and requirements to avoid litigation, as set forth in Article 9.

NOW, THEREFORE, the Declarant does hereby establish the Covenants set forth herein and does hereby declare that the Property, and all Lots within the Project, shall be held, sold, conveyed, leased, and rented subject to, and shall be encumbered by, the Covenants set forth below which shall be run with the Land and be binding on all persons or entities now or hereafter having or claiming any right, title, or interest in the Property, or any of the Lots within the Project.

ARTICLE 1 – DEFINITIONS

The plural of any word identified below shall have the same meaning as the singular and vice versa. The following words when used in this Declaration shall have the following meanings:

- 1.1 "City" means the West Valley City, a political subdivision of the State of Utah.
- 1.2 "County" means Salt Lake County, Utah.
- 1.3 "County Recorder's Office" means the Salt Lake County office which maintains an official record of deeds and real property records and accepts such documents for recordation pursuant to Utah Code Ann. § 17-21-1.
- 1.4 "Covenants" means every covenant, condition, restriction, easement, and limitation set forth in this Declaration.
- 1.5 "Declarant" means Arcadia Properties, LLC, a Utah limited liability company, and any assign or successor that acquires Declarant's interest in the Property.
- 1.6 "Declaration" means this *Declaration of Covenants, Conditions and Restrictions* for Newton Farm Subdivision as it may be amended from time.
- 1.7 "Improvement" means every structure, feature or improvement of any kind placed or constructed in the Project, including but not limited to any Residence, building, garage, lighting, deck, porch, patio, sidewalk, foundation, awning, fence, retaining wall, driveway, irrigation or drainage feature, storage structure or other product of construction and also includes landscaping.
- 1.8 "Lot" means a subdivided and individually numbered residential parcel as designated on the Plat Map recorded with the County Recorder's Office. The term Lot includes any Residence or other Improvement constructed thereon.

- 1.9 "Owner" means the person or entity vested with legal, record fee simple title to any Lot. If there is more than one record holder of legal title to a Lot, each shall be an Owner.
- 1.10 "Period of Declarant's Control" means the period of time during which Declarant shall have administrative control of the Project and the other rights and privileges set forth in this Declaration. Following the recording of this Declaration, the Period of Declarant's Control shall continue until such time as Declarant sees fit to, by written notice to all Owners, release administrative control of the Project, but in no event shall the Period of Declarant's Control extend beyond the time when one hundred percent (100%) of the Lots in the Project have been conveyed to individual purchasers.
- 1.11 "Plat Map" means the plat map, or plat maps, for the Project filed with the County Recorder's Office, or proposed to be filed with the County Recorder's Office, and any plat incorporating additional real estate into the Project. A copy of the Plat Map current as of the date of this Declaration is attached hereto as **Exhibit B**. Declarant reserves the right to modify the terms of any revised or amend the Plat Map for the Project. Any such revisions or amendments recorded in the County Recorder's Office shall be deemed the Plat Map for purposes of this Declaration. Also, Declarant may expand the Project to include additional Lots within for the Project. In the event the Project is expanded and one or more additional plats are recorded with the County Recorder's Office, then the term Plat Map shall refer to all recorded plats for the Project.
- 1.12 "Project" means the Newton Farm Subdivision, including any future phases thereof, as identified on the Plat Map. The Project is not a cooperative nor is it a condominium.
- 1.13 "Property" means the real property situated in Salt Lake County, State of Utah, as more particularly described in **Exhibit A**, against which this Declaration is recorded.
 - 1.14 "Residence" means a single-family dwelling structure on a Lot within the Project.

ARTICLE 2 – PROPERTY SUBJECT TO THIS DECLARATION

- 2.1 <u>Property</u>. The Property, as identified in <u>Exhibit A</u>, together with any additional phases of the Project is, and henceforth shall be, held, occupied, transferred, sold, and conveyed subject to the Covenants set forth in this Declaration.
- 2.2 <u>General Exemption for Historical Parcel</u>. Notwithstanding Section 2.1, or any other provision of this Declaration to the contrary, Declarant recognizes a general exemption for the Lot containing the historic structure located at approximately 3664 South 6400 West, West Valley City, Utah, shown Lot No. 121 on the Plat Map attached as <u>Exhibit B</u> ("Historic Parcel"). None of the Covenants set forth in this Declaration, including without limitation the Specific Design

Standards or any design and maintenance criteria promulgated by the ACC – shall be binding upon the Historic Parcel or the Owner thereof.

- 2.3 <u>Covenants Run with the Land</u>. This Declaration, and the Covenants herein, shall run with the land and shall be binding on all persons or entities holding or taking title to any interest in the Property or any Lot therein, and all Owners shall hold or take title subject to this Declaration.
- 2.4 <u>Local Laws and Ordinances Applicable</u>. The Property is located in West Valley City, Salt Lake County. In addition to the Covenants set forth in this Declaration, the Property and any Lot therein is subject to local laws and ordinances, including applicable building codes and zoning ordinances of the City or County, now or hereafter in effect.
- 2.5 <u>Expandability</u>. The Project is expandable. Declarant hereby reserves the right to expand the Project to include additional real estate adjacent to or nearby the Property. If additional Lots or phases of the Project are developed, the Project may be expanded to include such additional Lots or phases by recording an instrument with the County Recorder's Office subjecting such additional Lots or phases to the Covenants set forth in this Declaration. Upon recording of such an instrument, this Declaration and the Covenants herein shall be binding upon all land and Lots, and the Owners of the same, within such expanded Lots or phases. If the Project is expanded, all references to "Property" shall include all Lots within, or phases of, the Project.

2.6 Enforcement of Covenants.

- 2.6.1 <u>By Declarant or an Owner</u>. The Declarant or any Owner aggrieved by another Owner's non-compliance with the Covenants set forth in this Declaration may commence a legal action seeking to enforce compliance with the same.
- 2.6.2 <u>Injunction; Legal Fees</u>. Under appropriate circumstances, the Declarant or an aggrieved Owner may seek a temporary restraining order or preliminary injunction to stop or prevent non-compliance with the Covenants set forth in this Declaration. In any legal action brought to interpret or enforce this Declaration, the prevailing party shall be entitled to an award of reasonable costs and attorney fees.

ARTICLE 3 – PROPERTY RIGHTS, LIMITATIONS, AND USE RESTRICTIONS

- 3.1 <u>Residential Use and Occupancy</u>. Each Lot, and all Improvements thereon, shall be used only for residential purposes. No commercial use shall be permitted.
- 3.2 <u>No Time Shares</u>. No Owner may convey such Owner's interest in a Lot to, or hold such interest under, a time share or fractional fee interest arrangement.

- 3.3 <u>Rentals Restrictions</u>. No Owner shall lease or rent the Residence on a Lot to any other person or entity for a term of less than six (6) months. Without limiting the foregoing, overnight or short term rentals are not permitted in the Project. Any lease agreement relating to any Lot shall be subject to all the Covenants set forth in this Declaration. All leases shall be in writing and shall specifically reference the existence and applicability of this Declaration. An Owner shall be responsible and liable for any damage to the Project caused by such Owner's tenant.
- 3.4 <u>No Further Subdivision</u>. No Lot shall be further subdivided or separated into smaller parcels. No conveyance of less than all of any Lot shall be permitted.
- 3.5 <u>Prompt Repair</u>. Each Residence and other Improvement on an Owner's Lot shall be kept in good repair. As applicable, the Owner shall promptly repair damage to any Residence or Improvement on such Owner's Lot. Repairs shall be made in accordance with the design guidelines promulgated by the Architectural Control Committee ("ACC") identified in Article 5, below.
- 3.6 <u>Nuisance</u>. No Owner shall use, or permit a guest or invite to use, a Lot in a manner that constitutes a nuisance or unreasonably interferes with the use and enjoyment of any other Lot by the Owner or Owners thereof. No unreasonably loud or disruptive noises shall be permitted in the Project.
- 3.7 <u>Refuse</u>. Trash receptacles must be appropriately screened. No rubbish or debris of any kind may be permitted to accumulate on the Project in a manner that becomes unsightly or causes offensive odors.
- 3.8 <u>Temporary and Other Structures</u>. No temporary structures shall be permitted or used in the Project. Prefabricated structures, including sheds, are permitted only with approval of the ACC.
- 3.9 Offensive, Unsightly, and Unsafe Conditions. No Owner shall permit any noxious, offensive, unsightly, or unsafe activity, object, animal, or condition to exist on such Owner's Lot. Without limiting the generality of the foregoing, trailers, mobile homes, trucks other than pickups, boats, tractors, vehicles other than automobiles, campers not on a truck, snowmobiles, snow removal equipment and garden or maintenance equipment shall be kept at all times, except when in actual use, in an enclosed structure or screened from view. Service areas, storage piles, compost piles and facilities for hanging, drying or airing clothing or household fabrics shall be appropriately screened from view. No lumber, grass, shrub or tree clippings or plant waste, metals, bulk materials or scrap or refuse or trash shall be kept, stored or allowed to accumulate on any Lot, except within

an enclosed structure or when appropriately screened from view. No Owner shall dispose, or permit to be disposed, any oil, gas, toxic or hazardous material, or other unsafe substance within the Project.

- 3.10 <u>Signs</u>. Each Residence shall display an address / house number sign in a size, color, and configuration to be determined by the ACC, in its sole discretion. Each Owner shall be responsible to appropriately maintain the address / house number sign. Without restricting the right to display political, religious, and holiday signs, the ACC may impose design guidelines for the display of any signs in the Project and may adopt rules and regulations restricting the time place and manner in which signs are displayed. However, the Declarant may display signs in connection with the development of the Project and the sale of Lots, and Owners may display signs of customary and reasonable dimensions on a Lot advertising a Lot for sale or lease. Except for signs maintained by Declarant, display of any "for sale" or "for lease" sign more than three (3) feet by two (2) feet shall require the prior written approval of the ACC. A residential identification sign is permitted but should not exceed one (1) square foot in surface area. Numbers on Residences shall be located in a position clearly legible from the street, but not more than six (6) feet above the floor of the main floor level.
- 3.11 <u>Rooftop Antennas</u>. The ACC's design and maintenance criteria shall include guidelines regulating the installation of television, ham radio, citizens band, or radio antennas, satellite dishes, and other similar devices ("Antennas"). The ACC's design and maintenance criteria regulating Antennas shall comport with all applicable federal, state, and local laws and regulations governing Antennas and no Antennas shall be installed within the project without the approval of the ACC. Notwithstanding the foregoing, however, Declarant reserve the right and option to install cable or other data service lines and antennas as needed throughout the Project in connection with its development.
- 3.12 <u>Mailboxes</u>. There shall be a central location or locations for the mailboxes for the project and the mailboxes may be in a standardized configuration approved by the United States Postal Service.
- 3.13 <u>Ingress and Egress</u>. Each Owner shall have a right of ingress to and egress from such Owner's Lot, with such right of ingress and egress being perpetual and appurtenant to ownership of the Lot.
- 3.14 Pets and Livestock. Livestock and other non-domesticated farm animals shall not be permitted within the Project. Notwithstanding the foregoing, an Owner may keep up to four (4) hens to produce eggs for such Owner's own consumption. No roosters are permitted in the Project. Domesticated cats, dogs, or other household pets are permitted., Notwithstanding any other provision of this Section, no pets or other animals which constitute a danger or nuisance shall be

permitted within the Project. Under no circumstance shall animals be kept within the Project for commercial purposes. Each Owner shall comply with applicable leash laws.

- 3.15 <u>Grading and Stormwater</u>. No Owner may alter, excavate, grade or otherwise change the slope of such Owner's Lot in a manner that increases the flow of water from such Owner's Lot to any adjoining Lot or which conflicts with any applicable ordinance or Stormwater Pollution Prevention Plan ("SWPPP"). On and after the day an Owner takes title to a Lot, the Owner shall control runoff from such Owner's Lot as required by the applicable SWPPP or local ordinance.
- 3.16 <u>Vehicles</u>. No off-road motorcycles, ATVs, snowmobiles, or similar off-road vehicles shall be operated within the Project.
- 3.17 <u>Encroachment</u>. No Improvement on any Lot shall encroach on an adjoining Lot and any such encroaching Improvements must immediately be removed at the expense of the Owner of the Lot from which the Improvement encroaches. If, however, encroachment occurs due to natural settling or shifting or for other reasons beyond the control of the Owner, the Owner shall be deemed to have an easement for the maintenance of such encroaching Improvement which shall exist, and shall run with the land, for so long as the encroaching Improvement exists.
- 3.18 <u>Declarant and Commercial Builder Exemption</u>. Notwithstanding any other provision of this Declaration, the Declarant may use any Lot owned by it for any purposes, including construction purposes, consistent with or intended to facilitate the improvement and sale of the Lots owned by Declarant or Commercial Builder. Declarant may use and maintain temporary structures on the Project. Declarant may operate one or more construction or sales offices and one or more model homes within the Project. Declarant shall also have the right to maintain a reasonable number of signs, banners, or similar devices throughout the Project. Declarant may from time to time relocate any of its sales offices, model homes, signs, banners or similar devices. Any person or entity to whom Declarant transfers four (4) or more Lots to enable such person or entity to construct Residences for sale to homebuyers ("Commercial Builder") shall be entitled to the exemption identified in this Section 3.18, but only with respect to Lots actually owned by such Commercial Builder and only during the time construction on such Lots is actually underway.

ARTICLE 4 – MAINTENANCE AND OTHER OBLIGATIONS

4.1 <u>Owner's Compliance with Declaration</u>. Each Owner shall fully comply with, and shall cause such Owner's guests and invitees to fully comply with, the Covenants set forth in this Declaration.

- 4.2 <u>Maintenance by Owner</u>. Each Owner shall maintain such Owner's Lot, and all Improvements thereon, in good repair and in a clean and tidy manner, and in accordance with all the Covenants set forth in this Declaration and the ACC's design and maintenance criteria, so as to not detract from the overall appearance of the Project. The Owner shall maintain the Residence and all other Improvements in a safe and functional condition. Each Owner shall maintain such Owner's Lot at the Owner's expense without any setoff right.
- 4.3 Areas Adjacent to 6400 West. Except for Lots 121 and 122, the Owner of any Lot which is adjacent to 6400 West Street must maintain the parking strip on such Lot as required by the City or the County. In addition, the Owners of Lot 116 and Lot 117 must maintain the Project entry sign or pillar and any associated Improvements at such Owners' own expense.
- 4.4 <u>Areas Dedicated to the City</u>. Certain areas within the Project, including streets and a park area, will be dedicated to West Valley. Declarant anticipates that the City will maintain such areas in accordance with the City's general policies and procedures.
- 4.5 <u>Utilities</u>. The Owner of each Lot shall pay the cost and charge for all utility services provided to such Lot.

ARTICLE 5 - ARCHITECTURAL CONTROL

- 5.1 <u>Residential Structures</u>. The primary Improvement on each Lot shall be a Residence. Any other Improvements on the Lot shall be consistent with the requirements of this Declaration and shall not detract from the residential nature of the Project. Subject to the Declarant exemption, below, there shall be no temporary structures, mobile homes, trailer houses, or other non-permanent structures allowed in the Project.
- 5.2 <u>Construction and Remediation</u>. A Residence must be completed within twelve (12) months from the commencement of construction. This includes all exterior painting and finish work. During the construction of any Improvement, the affected Lot must be kept reasonably clean and tidy and all construction debris must be controlled and regularly removed. Any excess building materials must be removed from the Lot or stored within an enclosed building within thirty (30) days following completion of construction. Each Owner must repair any damage to the curb and / or gutters within the Project which occurs during construction of such Owner's Residence prior to occupancy.
- 5.3 <u>Applicability of Local Laws</u>. All construction activities must comply with the Covenants set forth in this Declaration and all local zoning ordinances, building codes, and other applicable laws.

5.4 Architectural Control Committee.

- 5.4.1 There shall be an Architectural Control Committee ("ACC"). During the Period of Declarant's Control, Declarant shall select all members of the ACC, which shall number no less than three (3) members. During the Period of Declarant's Control, members of the ACC do not need to be Owners. After the Period of Declarant's Control, the Owners shall convene a meeting for the purpose of selecting not less than three (3) Owners to be the members of the ACC. The members of the ACC shall be selected by a majority vote at such meeting, provided that at least fifty-one percent (51%) of the Owners in the Project attend the meeting, either in person or by proxy. The Owners may, from time to time, remove or replace members of the ACC at a meeting of the Owners convened for that purpose.
- 5.4.2 The ACC shall review designs for the construction of any Residence in the Project for compliance with the Covenants set forth in this Declaration, including the Specific Design Standards. In addition, the ACC shall review designs for any reconstruction of, addition to, or major renovation to, any Residence in the Project for compliance with the Covenants set forth in this Declaration.
- 5.4.3 The ACC may promulgate design and maintenance criteria consistent with this Declaration for the Residences and all other Improvements permitted within the Project. The ACC shall make such design and maintenance criteria available to all Owners or prospective Owners and, if possible, shall publish the design and maintenance criteria in electronic format.
- 5.4.4 All Residences, fences, and other Improvements must be constructed and maintained in accordance with this Declaration and the ACC's design and maintenance criteria. Prior to construction, alteration, modification, or replacement of any Improvements within the Project, an Owner shall submit plans for the same to the ACC. The ACC shall evaluate all such plans for compliance with the ACC's design and maintenance criteria.
- 5.4.5 The ACC may establish a schedule of reasonable fees for review of plans for any proposed Improvements, including a fee of not less than \$100.00 for review of every proposed Residence. The Owner seeking review must pay such fees before the ACC has any obligation to review plans under this Article 5. The ACC may employ architects, engineers, and other professionals to review plans submitted by an Owner. The Owner shall pay all such expenses reasonably associated with the ACC's review of the plans.

- 5.4.6 The ACC shall approve or deny such plans in writing within thirty (30) business days following receipt of the same. Failure to approve or deny such plans within the time period provided shall constitute an approval by the ACC.
- 5.4.7 The ACC shall have the right, but not the duty, to enforce compliance with the design criteria, including by legal action, in which case the ACC shall be entitled to recover the costs of enforcement, including reasonable attorney fees.
- 5.5 <u>Specific Design Standards</u>. In addition to design and maintenance criteria promulgated by the ACC, the provisions of this Section 5.5 (collectively, the "**Specific Design Standards**") shall apply to the Lots and any Residence constructed within the Project.
 - 5.5.1 <u>Minimum Square Footage</u>. Each Residence within the Project shall have the following minimum square footages: 2,000 square feet above grade for a rambler style Residence; 3,000 square feet above grade for a multi-story Residence. Each Residence must have a minimum 3-car garage, provided that the ACC may grant an exemption for the 3-car requirement (but may not allow less than a 2-car garage) if an Owner demonstrates extraordinary circumstances justifying a 2-car garage.
 - shall include brick, stone, or Hardieplank, other Hardie products, or decorative masonry products of similar nature and quality (collectively, "Hardie Products"). Approved Materials for the front of each Residence shall include a minimum of thirty-five percent (35%) brick or stone, which must wrap around the side of the Residence for at least three feet (3'), and the remainder of the front elevation must be Hardie Products. Stone must be at least six feet (6') tall in the on the side of the garage(s) and on the corner wrap nearest the garage(s). Each Owner must obtain approved list of Approved Materials from Stone Connection, 2791 South 600 West, Salt Lake City, Utah 84115. While Owners are restricted to Approved Materials, as indicated on the list provided by Stone Connection, Owners are not required to purchase the Approved Materials from Stone Connection. Without limiting the foregoing, stucco and vinyl siding are not Approved Materials. All sides of a Residence shall receive equal design consideration, particularly where they may be readily viewed by pedestrians and motorists, or from adjacent properties.
 - 5.5.3 <u>Fencing</u>. Fencing is required to extend from the Residence in a direct course to the property line on each side of the Residence prior to occupancy. Any fencing in the Project must be Embossed Wood Grain in clay color. Examples of approved fencing are available from Triple F Industries, which can be contacted at 801-800-6700.

- 5.5.4 Landscaping. The front yard of each Residence must be fully landscaped, including sprinklers or other approved irrigation, and required foliage, prior to occupancy. However, if landscaping cannot be completed prior to occupancy due to weather conditions, landscaping must be completed no later than the next June 1 following occupancy. The side and back yard landscaping must be completed no later than nine (9) months following occupancy. At a minimum, the front yard of each Lot must have ten (10) shrubs, at least one (1) tree with a minimum two inch (2") diameter trunk, and full sod in order to be considered fully landscaped. Each Owner must maintain the park strip in the front of such Owners Lot. In the case of a corner Lot, the Owner must maintain the park strip on each side of the Lot which faces a street. The park strip must include grass and at least two (2) trees with a minimum two inch (2") diameter trunk. Trees on the park strip must be approved species and put in a location approved by the ACC. Flowering Pear and Redbud are approved tree species. It intended that these species will be planted in an alternating manner on the park strips so that no Flowering Pear will be next to another Flowering Pear and no Redbud will be next to another Redbud. For other trees on a Lot, the ACC may establish a list of approved trees and shrubs and, if so established, Owners must landscape using only such approved trees and shrubs.
- 5.5.5 <u>Colors.</u> Approved building colors and materials for Residences and other Improvements ("Approved Colors") shall be consistent with this Declaration and with the other Residences in the Project. Each Owner must obtain a list of Approved Colors from Stone Connection, 2791 South 600 West, Salt Lake City, Utah 84115.
- 5.5.6 Roof Pitches and Solar. Roofs for craftsman style homes must be a minimum 6:12 pitch. Roofs for prairie style or other homes must be a minimum 4:12 pitch. Solar panels in the Project are not permitted on the front of the Residence during the Period of Declarant's Control. After the Period of Declarant's Control, solar panels in the Project are not permitted on the front of the Residence if conditions of Utah Code Ann. § 57-8a-701 et seq. are satisfied. In the event of any conflict between this Section and the provisions of Utah Code Ann. § 57-8a-701 et seq., the latter shall control.
- 5.6 <u>Declarant Exemption</u>. Nothing in this Article 5 shall prohibit or restrict the ability of the Declarant to use any Lots owned by Declarant for any purposes consistent with or intended to facilitate the improvement and sale of Lots owned by Declarant. Declarant may maintain and operate temporary structures for construction, sales, or business purposes. Declarant shall not be bound by the ACC's design and maintenance criteria and reserves the right to alter or modify the plans for any Improvement on any Lot at any time Declarant owns such Lot. Declarant shall not be bound by the time limitation for construction activities set forth in this Declaration. Declarant's sales and marketing activities are exempt from the ACC's design and maintenance criteria.

However, any Commercial Builder will be subject to the ACC's design and maintenance criteria and the other provisions of this Article 5.

ARTICLE 6 - EASEMENTS

- 6.1 <u>Easements Shown on Plat Map</u>. The Property and Lots are subject to the easements, rights of way, encroachments, and other encumbrances as shown on the Plat Map. Within such easements, no Improvement of any type shall be placed or permitted to remain which may damage or interfere with the intended purpose of such easement.
- 6.2 <u>Easements Reserved</u>. In addition to easements shown on the Plat Map or otherwise provided for in this Declaration, the following easements are reserved for the benefit of the Owners:
 - 6.2.1 <u>Easement for Encroachment</u>. If, because of natural settling or shifting of the earth or other similar causes beyond an Owner's control, any part of a Lot encroaches on an adjoining Lot, an easement for the encroachment and for maintenance of the encroaching Lot shall exist in favor of the Owner.
 - 6.2.2 <u>Public Dedication</u>. The Declarant reserves, for itself and its successors and assigns, the right to dedicate all roads, streets, alleys, open space, rights of way or easements shown on the Plat Map to the City or County for public use. No road, street, avenue, alley, right of way or easement shall be laid out or constructed through or across any Lot or Lots in the Project except as set forth in this Declaration, or as shown on the Plat Map.
 - 6.2.3 <u>Current Utility Easements</u>. Public utility or public service providers shall have an easement for the installation, maintenance, and repair of such utilities and services as shown on the Plat Map. Except for equipment or Improvements for which the public utility or public service provider is responsible, each Owner shall maintain the portion of such Owner's Lot burdened by a utility easement.
 - 6.2.4 <u>Future Utility Easements</u>. Declarant reserves, for itself and its successors and assigns, an easement, and the right to grant easements to any person, individual, corporate body, or municipality, across, over, under, upon, and through any Lot, road, street, open space, or other portion of the Project, for the installation, construction, maintenance, reconstruction and repair of public, quasi-public, or private utilities to serve the Project and the Lots therein, including but not limited to the mains, conduits, pipelines, underground or above-ground lines and cables, transmission facilities, meters and other facilities and appurtenances necessary or useful for the provision of water, storm sewer, sanitary sewer, gas, electricity, telephone, cable television, internet and data and other

public, quasi-public or private services or utilities deemed by Declarant necessary or advisable to provide any service to the Project, any Lot, or other portion thereof.

- 6.2.5 <u>Grading</u>. Declarant reserves, for itself and its successors and assigns, the right at or after the time of grading of any street or any part thereof for any purpose, to enter upon any abutting Lot and grade a portion of such Lot adjacent to such street, provided such grading does not materially interfere with the use or occupancy of any Residence built on such Lot, but Declarant shall not be under any obligation or duty to do such grading or to maintain any slope.
- 6.2.6 Right of Entry onto Lots. The Declarant during the Period of Declarant's Control shall have the right, through authorized agents, to enter onto any Lot after reasonable notice to the Owner thereof for the purpose of performing maintenance or determining whether the Lot, or any Improvements thereon, complies with this Declaration. Except in the event of an emergency, entry made pursuant to this Section shall be during normal business hours, at a time convenient for the Owner, after reasonable notice.

ARTICLE 7 – DECLARANT RIGHTS AND CONTROL

- Construction Activities. So long as Declarant owns at least one (1) Lot within the Project, Declarant shall have the right to conduct construction activities on or related to such Lot and shall not be bound by any limitations related to construction activities set forth in this Declaration. During the Period of Declarant's Control, Declarant shall have a non-exclusive easement and right-of-way in, through, under, over and across the Project for the purpose of the storage of building supplies and materials, and for all other purposes reasonably related to the completion of construction and development of the Project and the provision of utility services and other services or facilities to the Project. Notwithstanding any other provision of this Declaration to the contrary, Declarant, in its absolute discretion, shall have the right to construct and install any and all Improvements within the Project which Declarant desires, so long as they comply with the applicable ordinances of the City, but this provision shall not be construed to impose any obligations on Declarant to construct any such Improvements.
- 7.2 <u>Declarant's Sales Activities</u>. Notwithstanding any other provision of this Declaration, so long as Declarant owns at least one (1) Lot within the Project, Declarant shall have the right to conduct reasonable sales activities including, but not limited to maintaining one or more sales office or model home on Lots owned by the Declarant and using the same for business purposes and maintaining a reasonable number of "for sale" signs or other similar marketing materials in the Project.

7.3 <u>Declarant's Rights Assignable</u>. Declarant may assign the rights of Declarant set forth under this Declaration, or those rights in any way relating to the Property to a purchaser or successor in interest. Upon such assignment, such assignee shall be deemed the Declarant for all purposes under this Declaration.

ARTICLE 8 - DURATION AND AMENDMENT

- 8.1 <u>Duration</u>. This Declaration shall be effective, and the Covenants set forth herein shall encumber the Property, from the date the Declaration is recorded in the County Recorder's Office and, as amended from time to time, this Declaration shall continue in full force and effect against the Property and the Covenants shall run with the land in perpetuity, for as long as the law allows unless amended or terminated as provided herein.
- Amendment. During the Period of Declarant's Control, the Declarant shall have the right to amend this Declaration without the consent of any other Owner. Any other amendment proposed during the Period of Declarant's Control must be approved by sixty-seven percent (67%) of the Owners in the Project and must also be approved by the Declarant in writing before it can be effective. After the Period of Declarant's Control, this Declaration may be amended by the affirmative vote of not less than sixty-seven percent (67%) of the Owners in the Project. No amendment to this Declaration shall be effective until it is recorded in the real property records of Salt Lake County.
- 8.3 <u>Termination</u>. An agreement to terminate this Declaration and the Covenants set forth herein, shall require same approval required for an amendment as set forth in Section 8.2, above.

ARTICLE 9 – MANDATORY DISPUTE RESOLUTION REQUIREMENTS

9.1 <u>Statement of Intent.</u> Prior to purchasing a Lot, every Owner is capable of obtaining an inspection and is permitted to perform, or pay someone else to perform, an inspection on any Lot that Owner is purchasing or any other aspect of the Project. Moreover, if any written warranty has been provided, it identifies the only items that are warranted by the Declarant. Having had the ability to inspect prior to purchasing a Lot, having received a written warranty if any warranty is provided, and having paid market price for a Lot in the condition it and the Lots are in at the time of purchase, each Owner acknowledges that it is unfair and improper to later seek to have the Declarant and/or any subcontractor performing work in the Project to change, upgrade, or add additional work to the Project outside of any express warranty obligation. Moreover, the Owners (by purchasing a Lot) and the Declarant acknowledge and agree that litigation is an undesirable method of resolving disputes and conflicts in that it can be slow, expensive, uncertain, and can often negatively impact the sale value and ability to obtain financing for the purchase of Lots for

years, unfairly prejudicing those Owners who must or want to sell their Lot during any period when litigation is pending. For this reason, the Owners (by purchasing a Lot) and the Declarant covenant and agree that the claims and disputes identified in this Article 9 shall not be pursued through court action, but shall be asserted and resolved only through the specific alternative dispute resolution mechanisms described below and only after full disclosure, satisfaction of the right to cure periods, and knowing approval of the Owners, as set forth in the provisions of this Article 9. In addition, the Owners agree that they take ownership and possession of the Lots **AS IS**, with no warranties of any kind except as otherwise required as a matter of law or provided by the Declarant in writing. The Declarant specifically disclaims any and all warranties of merchantability, fitness for a particular use, or of habitability, to the full extent allowed by law

- Binding Arbitration for Disputes. To the fullest extent permitted by law, all claims and disputes of any kind that any Owner may assert involving the Declarant, or any agent, employee, executing officer, manager, affiliate or owner of the Declarant, or any engineer or contractor involved in the design or construction of the Project, which arise from or are in any way related to a Residence or any other Improvement on a Lot or any other Improvement or component of the Project, or the construction, maintenance, or repair of the same (each, a "Dispute"), shall be submitted to final and binding arbitration. (The term "Dispute" shall not include any action to interpret or enforce this Declaration, as provided in Section 2.6, and such an action will governed by the terms of Section 2.6.) Binding arbitration shall be the sole remedy for resolving Disputes between the Declarant and any Owner. Arbitration proceedings, however, shall not be commenced, and if commenced shall be dismissed, unless and until the Pre-Arbitration Requirements set forth in Section 9.3 below have been satisfied in full. Without in any way limiting the foregoing, and by way of illustration, Disputes that subject to binding arbitration include the following:
 - 9.2.1 Any allegation that a condition in any Residence or Improvement on the Lots or any other Improvements in the Project is or involves a construction defect;
 - 9.2.2 Any disagreement as to whether an alleged construction defect has been corrected;
 - 9.2.3 Any disagreement about whether any warranties, including implied warranties, are applicable to the subject matter of any Dispute;
 - 9.2.4 Any disagreement as to the enforceability of any warranties alleged to be applicable to the subject matter of any Dispute;
 - 9.2.5 Any disagreement about whether any warranty alleged to be applicable to the subject matter of any Dispute has been breached;

- 9.2.6 Any alleged violations of consumer protection, unfair trade practice, or other statutes or laws;
- 9.2.7 Any allegation of negligence, strict liability, fraud, and/or breach of a fiduciary duty or duty of good faith, and all other claims arising in equity or from common law;
- 9.2.8 Any allegation that any condition existing in the Project or created by the Declarant (or any of its contractors), including construction-related noise, dust, traffic, etc., is a nuisance, a defect, or a breach of any implied warranties of habitability or other implied warranties;
- 9.2.9 Any disagreement concerning the scope of Disputes or the issues or claims that should be submitted to binding arbitration;
- 9.2.10 Any disagreement concerning the timeliness of performance of any act to be performed by Declarant or any of its contractors;
- 9.2.11 Any disagreement as to the payment or reimbursement of any fees associated with binding arbitration; and
- 9.2.12 Any other claim or disagreement arising out of or relating to the sale, design, or construction of any of Improvement on the Lots, or other claims regarding the Project, except as provided in Section 2.6.
- 9.3 Pre-Arbitration Requirements. An Owner may only pursue a claim against the Declarant in arbitration after all of the following efforts of dispute resolution have been completed: (1) Right to Cure: the claimant shall provide to the Declarant a written Notice of Claim (defined below) and permit the Declarant one hundred eighty (180) days to cure or resolve the claim or defect or to request that the appropriate contractor or subcontractor cure or resolve the claim or defect, prior to initiating any formal arbitration proceedings; (2) if the Dispute is not resolved within the 180-day Right to Cure period, the parties shall participate in formal mediation with a mutually-acceptable third-party mediator in an effort to resolve the Dispute prior to taking further action or commencing arbitration. If additional, different, or modified claims, damages, calculations, supporting information, or descriptions are added, provided to, or asserted against the Declarant that were not included in any previously submitted Notice of Claim, the Right to Cure period provided for in this Section shall immediately apply again and any pending action or proceedings, including any mediation or arbitration, shall be stayed during the 180-day period.

- 9.4 <u>Notice of Claim</u>. For purposes of this Article 9, "Notice of Claim" shall mean and include the following information: (1) an explanation of the nature of the claim, (2) a specific breakdown and calculation of any alleged damages, (3) a specific description of the claim along with any supporting opinions, information, or factual evidence upon which the claim is based, (4) photographs of any alleged defective condition, if applicable, (5) samples of any alleged defective conditions or materials, if reasonably available, (6) an explanation of the efforts taken to avoid, mitigate, or minimize the claim or any alleged damages arising therefrom, and (7) the names, phone numbers, and address of each person providing factual information, legal or factual analysis, or legal or factual opinions related to the claim.
- Other Conditions. If Dispute has not been resolved after satisfying and complying 9.5 with the above-described "Pre-Arbitration Requirements," then the Owner shall have the right to proceed with binding arbitration; however, the any Dispute involves more than one Owner as claimant shall not proceed unless such claimants have obtained a written opinion from legal counsel advising the claimants of the likelihood of success on the merits of the claims, the anticipated costs and legal fees, the anticipated expert witness fees, and the likelihood of recovery if the claimants prevail. The written opinion from legal counsel, addressing these topics, must be provided to all claimants before the formal vote on whether to proceed with binding arbitration. The binding arbitration shall be conducted by a mutually-acceptable arbitrator (preferably a former judge), or, if an arbitrator cannot be mutually selected, then by a member of the American Arbitration Association's Panel of Construction Arbitrators appointed by the American Arbitration Association ("AAA"). The binding arbitration shall be conducted according to the rules and procedures set forth in the Construction Industry Arbitration Rules promulgated by the AAA. The award of the arbitrator shall be final and may be entered as a judgment by any court of competent jurisdiction.
- 9.6 <u>Fees and Costs of Arbitration</u>. Each party shall bear its own attorney fees and costs (including expert witness costs) for the arbitration of any Dispute. The arbitration filing fee and other arbitration fees shall be divided and paid equally as between the parties. The arbitrator shall not award attorney fees, expert witness fees, or arbitration costs, to the prevailing party in any Dispute.
- 9.7 No Waiver of Arbitration Right. If any Owner or the Declarant files a proceeding in any court to resolve any Dispute, such action shall not constitute a waiver of the right of such party, or a bar to the right of any other party, to seek arbitration or to insist on compliance with the requirements set forth in this Article 9. If any such court action is filed, then the court in such action shall, upon motion of any party to the proceeding, stay the proceeding before it and direct that such Dispute be arbitrated in accordance with the terms set forth herein, including, without limitation, compliance with the pre-arbitration requirements set forth above.

Waiver of Subrogation. Each Owner waives any and all rights to subrogation 9.8 against the Declarant and any builder, contractor, and engineer in the Project. This waiver shall be broadly construed and applied to waive, among other things, any attempt by any insurer of any Owner from pursuing or exercising any subrogation rights, whether arising by contract, common law, or otherwise, against the Declarant, the Project engineer, and builder, contractors of the Declarant and the builder, and their officers, employees, owners, and representatives. To the full extent permitted by law, the Owners hereby release Declarant, the Project engineer, and builder, and their respective officers, employees, owners, contractors, insurers, and representatives from any and all liability to the Owners, and anyone claiming through or under them by way of subrogation or otherwise, for any loss, injury, or damage to property, caused by fire or any other casualty or event, even if such fire or other casualty shall have been caused by the fault or negligence of Declarant or builder, their officers, employees, owners, and representatives. Each Owner agrees that all policies of insurance shall contain a clause or endorsement to the effect that this release and waiver of subrogation shall not adversely affect or impair such policies or prejudice the right of any Owner to recover thereunder. The Owners shall indemnify and defend the Declarant, the builder, and any of their officers, employees, owners, contractors, or representatives from any claims barred or released by this provision, including but not limited to any claim brought under any right of subrogation.

ARTICLE 14 – MISCELLANEOUS PROVISIONS

- 14.1 <u>Interpretation</u>. The captions and section headings set forth in this Declaration are for convenience and the meaning of the provisions set forth in the sections hereof shall be governed by the body of the text. The use of any plural shall, where the context requires, include the singular thereof, and vice-versa.
- 14.2 <u>Governing Law</u>. This Declaration shall be govern by, and interpreted in accordance with, the laws of the State of Utah.
- 14.3 <u>Severability</u>. If any section, term, or provision of this Declaration is determined to be invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the remaining sections, terms, and provisions of this Declaration, which shall all remain in full force and effect.
- 14.4 <u>Waiver</u>. The failure by the Declarant or any Owner to enforce any term or provision of this Declaration shall not be deemed as a waiver of the right to thereafter enforce such term or provision.
- 14.5 <u>Consent</u>. The undersigned owners of parcels within the Project do hereby consent to the Declaration and the Covenants set forth herein, and further agree that all parcels within the

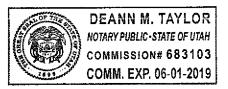
Project shall be held, occupied, transferred, sold, and conveyed subject to the Covenants set forth in this Declaration.

[Signature Pages Follow.]

IN WITNESS WHEREOF, Declarant has executed this Declaration on this 2 nd day of JUNE, 2017		
	DECLARANT Arcadia Properties LLC	
	By: Multure Name: Kar Wilhe	
	Title: Whow A	
STATE OF UTAH)		
SS.		
COUNTY OF SAIF LAKE	and Turn	
The foregoing instrument was acknowledged before me this 2nd day of June, 2017 by Ken Milne as the Manager of Arcadia Properties LLC.		
RACHEL DREBING NOTARY PUBLIC-STATE OF UTAN COMMISSION# 692803 COMM. EXP. 01-09-2021	Rachel Deebing Notary Public	
	OWNER	
	Ferrica Bell	
	Jessica Bell	
STATE OF UTAH)		
county of <u>Septale</u>)		

The foregoing instrument was acknowledged before me this 2017 by Jessica Bell

and is day of June



Notary Public

OWNER

J. Thomas Pearce

Judy Pearce

STATE OF UTAH

SS.

COUNTY OF Salt lake

The foregoing instrument was acknowledged before me this 3th day of 4th 20/1 by J. Thomas Pearce and Judy Pearce.

DEANN M. TAYLOR
NOTARY PUBLIC-STATE OF UTAH
COMMISSION# 683103
COMM. EXP. 06-01-2019

Notary Public

OWNER

Brandy DeHerrera

STATE OF UTAH

SS.

COUNTY OF <u>Setlake</u>)

The foregoing instrument was acknowledged before me this 3rd day of 20/7 by Brandy DeHerrera.



Notary Public

EXHIBIT A

(Property Description)

Boundary Description Phase 1A

Beginning at a point on the Northerly Right-of-Way of Elena Street and the Northerly Boundary Line of Clearstone Estates Subdivision Phase 2 recorded October 13, 2016 as Entry No. 12389213 in Book 2016P at Page 268, said point being North 0°01'12" East 659.54 feet along the Section Line and West 902.85 feet from the East Quarter Corner Section 34, Township 1 South, Range 2 West, Sait Lake Base and Meridian; and running

thence South 89°58'01" West 92.86 feet along the Northerly Boundary Line of said Clearstone Estates Subdivision Phase 2; thence North 00°01'12" East 0.86 feet along the Northerly Boundary Line of said Clearstone Estates Subdivision Phase 2; thence North 89°58'48" West 459.92 feet along the Northerly Boundary Line of said Clearstone Estates Subdivision Phase 2; thence North 14.44 feet:

thence West 9.08 feet;

thence Northwesterly 26.20 feet along the arc of a 773.00 foot radius curve to the right (center bears North and the chord bears North 89°01'44" West 26.20 feet with a central angle of 01°56'31");

thence North 110.14 feet;

thence East 588.06 feet;

thence South 125.99 feet to the point of beginning.

Contains 73,137 Square Feet or 1.679 Acres and 5 Lots

Boundary Description Phase 1B

Beginning at a point on the Westerly Right-of-Way of 6400 West Street, said point being North 0°01'12" East 860.04 feet along the Section Line and North 89°58'48" West 33.00 feet from the East Quarter Corner Section 34, Township 1 South, Range 2 West, Salt Lake Base and Meridian: and running

thence South 89°58'01" West 869.85 feet to and along the Northerly Boundary Line of Clearstone Estates Subdivision Phase 2 recorded October 13, 2016 as Entry No. 12389213 in Book 2016P at Page 268 to the Easterly Boundary Line of Newton Farm Subdivision Phase 1A:

thence North 125.99 feet along the Easterly Boundary Line of said Newton Farm Subdivision Phase 1A;

thence East 138.53 feet:

thence North 32°05'40" East 63.59 feet;

thence Northwesterly 23.56 feet along the arc of a 15.00 foot radius curve to the left (center bears North 57°54'20" West and the chord bears North 12°54'20" West 21.21 feet with a central angle of 90°00'00");

thence North 57°54'20" West 2.65 feet;

thence Northwesterly 1.35 feet along the arc of a 273.00 foot radius curve to the left (center bears South 32°05'40" West and the chord bears North 58°02'49" West 1.35 feet with a central angle of 00°16'58");

thence North 31°48'42" East 54.00 feet;

thence Southeasterly 1.61 feet along the arc of a 327.00 foot radius curve to the right (center bears South 31°48'42" West and the chord bears South 58°02'49" East 1.61 feet with a central angle of 00°16'58");

thence South 57°54'20" East 103.06 feet;

thence Southeasterly 113.75 feet along the arc of a 273.00 foot radius curve to the left (center bears North 32°05'40" East and the chord bears South 69°50'32" East 112.93 feet with a central angle of 23°52'25");

thence North 00°01'59" West 506.09 feet to the Southerly Boundary Line of Highland Meadows No. 5 Subdivision;

thence North 89°58'01" East 483.03 feet along the Southerly Boundary Line of said Highland Meadows No. 5 Subdivision and its extension to the Westerly Right-of-Way Line of 6400 West Street;

thence South 00°01'12" West 178.83 feet along the Westerly Right-of-Way Line of said 6400 West Street;

thence West 142.40 feet;

thence South 30.00 feet:

thence West 39.00 feet;

thence South 107.00 feet;

thence East 4.45 feet;

thence South 00°01'12" West 96.04 feet;

thence North 89°58'01" East 176.90 feet to the Westerly Right-of-Way Line of 6400 West Street;

thence South 00°01'12" West 248.12 feet along the Westerly Right-of-Way Line of said 6400 West Street to the point of beginning.

Contains 342,762 Square Feet or 7.869 Acres and 19 Lots



Boundary Description Phase 1C

Beginning at the Southwest Corner of Newton Farm Subdivision Phase 1C, said point being North 0°01'12" East 675.40 feet along the Section Line and West 1,490.91 feet from the East Quarter Corner Section 34, Township 1 South, Range 2 West, Sait Lake Base and Meridian; and running

thence Northwesterly 140.58 feet along the arc of a 773.00 foot radius curve to the right (center bears North 01°56'31" East and the chord bears North 82°50'52" West 140.39 feet with a central angle of 10°25'13");

thence Northwesterly 153.01 feet along the arc of a 827.00 foot radius curve to the left (center bears South 12°21'46" West and the chord bears North 82°56'16" West 152.79 feet with a central angle of 10°36'03");

thence Northwesterly 10.85 feet along the arc of a 15.00 foot radius curve to the right (center bears North 01°45'51" East and the chord bears North 67°31'18" West 10.61 feet with a central angle of 41°25'40");

thence Southwesterly 136.45 feet along the arc of a 52.00 foot radius curve to the left (center bears South 43°11'40" West and the chord bears South 58°01'17" West 100.54 feet with a central angle of 150°20'48");

thence Southeasterly 4.49 feet along the arc of a 15.00 foot radius curve to the right (center bears South 72°50'53" West and the chord bears South 08°34'34" East 4.47 feet with a central angle of 17°09'07");

thence West 104.08 feet;

thence North 00°07'08" East 150.16 feet;

thence East 245.33 feet;

thence South 83°24'31" East 197.56 feet;

thence East 47.53 feet to the Westerly Boundary Line of said Newton Farm Subdivision Phase 1C;

thence South 110.14 feet along the Westerly Boundary Line of said Newton Farm Subdivision Phase 1C to the point of beginning.

Contains 53,705 Square Feet or 1.233 Acres and 4 Lots

EXHIBIT B

(Plat Map)

