

WHEN RECORDED, PLEASE RETURN TO:

Cobblestone Development LLC  
Mike Petersen, Organizing Manager  
P.O. Box 326  
Heber City, Utah 84032

**DECLARATION  
OF  
RESTATED AND AMENDED  
COVENANTS, CONDITIONS AND RESTRICTIONS**

**“COBBLESTONE”  
Wasatch County, Utah**

This DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS [hereinafter “Declaration”] is made and executed this \_\_\_\_ day of \_\_\_\_\_, 2006, by Cobblestone Development L.L.C., a Utah Limited Liability Company, whose address is P.O. Box 326, Heber City, Utah 84032.

This Declaration amends, supercedes and restates the Declaration of Covenants, Conditions and Restrictions previously filed on the Development. The purpose of this Declaration is to incorporate in one document: (1) the covenants, conditions, and restrictions applicable to all phase of the Development and (2) any amendments to the previously filed covenants, conditions, and restrictions adopted by the Developer to the date of this Declaration.

This Declaration, and the rights, obligations, duties and encumbrances thereunder, shall apply to the following described real property (hereinafter “the Property” or “the Development”) and the owners thereof, situated in Wasatch County, Utah, and more particularly described in Exhibit A.

**RECITALS**

Cobblestone Development L.L.C., a Utah Limited Liability Company, as owner of the property, desires to create and impose covenants, conditions, and restrictions affecting said property in order to develop a residential subdivision of distinctive and consistent character and to provide means by which such character may be safeguarded and protected.

**ARTICLE I.**  
**BINDING EFFECT OF DECLARATION**

A. Binding Effect.

1. Cobblestone Development L.L.C., a Utah Limited Liability Company, as Declarant, hereby declares that the Property is held and shall be sold, conveyed, leased, occupied, resided upon, hypothecated and held subject to the covenants, conditions and restrictions set forth herein.

2. These covenants, conditions and restrictions shall run with the land and shall be binding on the Declarant, on the purchasers of Lots and Property in the Development, and on their heirs, successors and assigns.

3. These covenants, conditions and restrictions shall be for the benefit of and shall be enforceable by, and among, the Declarant and its successors, assigns, and grantees, who are or become Owners of Lots or Property in the Development.

4. These covenants, conditions and restrictions are: (a) declared and created for the direct and mutual and reciprocal benefit of each and every Lot in the Development, and (b) are mutual and equitable servitudes upon each of these Lots in favor of each other Lot in the Development and all of the property therein.

5. Declarant hereby grants, declares and creates reciprocal rights and obligations between the respective Owners of Lots in the Development and declares it one of the purposes of this Declaration to establish privity of contract and estate between the respective Owners of the Lots, their heirs, successors and assigns.

6. A person acquiring a Lot, property and/or interests therein shall, by their acquisition of such interests subsequent to the recordation of this Declaration, be deemed to have given their consent to and agreed to be bound by this Declaration and the covenants, conditions, and restrictions hereunder, including the obligation to pay the assessments and other charges imposed hereunder. In addition, but without limiting the foregoing, a person who records any document creating, conveying, describing, encumbering, or reflecting such interest shall be deemed to have irrevocably and perpetually agreed and consented to be bound by the covenants, conditions, and restrictions of this Declaration.

7. In the case of a conflict between this Declaration and the Development Agreement, the Development Agreement shall control.

B. Declarant's Amendments, Withdrawals and Exemptions.

1. Nothing in this Declaration is intended nor should be interpreted as requiring the Declarant to obtain approval for construction of any Structure or Improvement that the Declarant is required to provide under the Development Agreement. Neither this Declaration nor the conditions, covenants, and restrictions contained herein apply to Structure or Improvements that the Declarant is required to provide under the Development Agreement.

2. The Developer may withdraw from this Declaration any property within a Phase in which no Lots have been sold.

**ARTICLE II.  
DEFINITIONS**

The following definitions shall apply to this Declaration:

1. "Association" means the Cobblestone Community Homeowner's Association Incorporated, a Utah nonprofit corporation.

2. "Association Expenses" means the Association's expenses arising out of or connected with the Association's operation and with the maintenance and operation of the Common Areas and Common Facilities. Such expenses may include, without limitation, the following: (a) management expenses, (b) taxes, (c) assessments, (d) insurance premiums, (e) maintenance and repair costs, (f) employee wages, (g) utility expenses, (h) legal and accounting fees, (i) any deficit remaining from a previous period, (j) funds for a contingency reserve, (k) funds for reserve for maintenance, repairs and replacement of the Common Areas and Common Facilities, and (l) any other expenses and liabilities which may be incurred by the Association for the benefit of the Owners under this Declaration or the Association's Articles of Incorporation or Bylaws.

3. "Common Area" means the real property in the Development for common use by the Owners, and described as Open Space Common Area on the subdivision plat recorded with the Wasatch County Recorder.

4. "Common Facilities" shall mean all furniture, furnishings, equipment, facilities, and other property (real, personal, or mixed) and interests therein at any time leased, acquired, owned or held by the Association for the use and benefit of the Owners. Common Facilities shall be deemed to be part of the Common Areas, except to the extent otherwise expressly provided in this Declaration. Common Facilities include the Recreational and other facilities described in Section 3.1(b)(7) of the Development Agreement, and the facilities listed on the subdivision plat sheet 1, paragraph 31.

5. "Committee" means the Architectural and Building Committee created in Article III of this Declaration.
6. "Covenants, conditions, and restrictions" means the covenants, conditions and restrictions found in this Declaration.
7. "Declarant" or "Developer" means the Cobblestone Development, L.L.C.
8. "Development" means certain Lots, Common Area, Common Facilities, infrastructure and real property which Wasatch County has approved as a planned residential development consisting of 127 Equivalent Residential Units and which is more particularly described in Exhibit A.
9. "Development Agreement" means the Development Agreement and exhibits recorded at the Wasatch County Recorder at Book 600, page 704-41.
10. "Improvement" shall have the meaning provided in Article IV.
11. "Lot" means a lot in the Development as reflected on the subdivision plat recorded with the Wasatch County Recorder and in a Phase in which one or more lots have been sold.
12. "Lots in all Phases" shall mean lots included in the Development Agreement whether or not the County has authorized construction within the Phase and whether or not lots have been sold in the Phase. It does not include any portion of the Properties that the Developer withdraws from the Development pursuant to Article I of the Declaration.
13. "Submission" shall mean documents submitted to the Committee and described in Article IV B&C.
14. "Plans and Specifications" shall mean the plans and specifications for a Structure or Improvement submitted by an Owner to the Committee and/or approved by the Committee.
15. "Owner" means the record title owner of a Lot as reflected in the records of the Wasatch County Recorder.
16. "Structure" shall have the meaning provided in Article IV.

**ARTICLE III.  
ARCHITECTURAL AND BUILDING COMMITTEE**

A. Architectural and Building Committee.

1. Creation of Committee. Declarant hereby establishes an Architectural and Building Committee [hereinafter "the Committee"] to review plans and specifications pursuant to the provisions of this Declaration and empowered to enforce the covenants, conditions, and restrictions set forth herein. The Initial Committee shall be composed of:

Mike Petersen, chair, P.O. Box 186, Heber City, Utah 84032.  
Michael Pangia  
Josee Petersen

The Initial Committee shall serve until the Association is created. Once created, the Association's Board or its designee shall serve as the Committee and shall assume the Committee's authority and responsibility.

2. Declarant's Selection of Committee Members. This Declaration gives the Declarant the exclusive authority to select the Initial Committee and to select the Association's Board which may replace the Initial Committee. A Committee Member is not disqualified from reviewing or approving the Declarant's Submission for a proposed Structure or Improvement, because the Committee Member was selected by the Declarant or is an officer, manager, member, employee, or agent of the Declarant.

3. Compensation. Unless approved in advance in writing by the Association's Board, the members of the Committee shall not be paid any fee or compensation for services on the Committee.

4. Committee Vacancies. A majority of the Committee shall be responsible for replacing any vacancies on the Committee. In the event that the Committee fails to appoint successors within three months of a vacancy, the vacancy (or vacancies) shall be filled by a vote of the Owners, with each Owner entitled to one vote for each Lot owned.

5. Committee Bylaws. The Committee shall adopt Bylaws, not inconsistent with this Declaration, that will govern its operations, including its review of Plans and Specifications as provided in Article IV.

B. Professional Services.

The Committee may, in its sole discretion, retain a licensed architect, engineer, or attorney to render advice on Submissions and other matters before the Committee. The cost of

retaining the architect, engineer, or attorney shall be paid by the Owner who submits the Plans and Specifications for review.

C. Meaning of Committee's Approval.

1. The Committee's approval of a proposed Structure/Improvement, Plans or Specifications is only the Committee's determination that the proposed Structure/Improvement, Plans and Specifications comply with Articles IV & V of this Declaration.

2. The Committee is not acting as architect, engineer, or attorney for the Owner.

3. The Committee's approval does not mean: (a) that the proposed Structure/Improvement, Plans, and Specifications meet building codes or are otherwise feasible or safe, (b) that the materials or design is adequate or safe, (c) that Owner will be satisfied with the building, or (d) that the Structure/Improvement, Plans and Specifications will be approved by Wasatch County, its building inspector or zoning administrator or other governmental officials charged with the responsibility of enforcing zoning or safety laws.

D. Declarant, Association, Committee, and Committee Members Not Liable for Approvals and Disapprovals.

The Declarant, the Association, the Committee and/or the Committee Members shall not be liable to anyone including any Owner for their action or inaction on or for their review, approval, or disapproval of any Structure/Improvement, Plans, Specifications or Submission. Without limiting the foregoing, the Declarant, the Association, the Committee and/or the Committee Members are not liable for any damages arising out of their actions, inactions, approval or disapproval of any Structure/Improvement, Plans, Specifications or Submission submitted to the Committee for review, and not liable for errors or omissions in the design or construction of the proposed Structure/Improvement.

E. Declarant's and Owner's Right to Enforce.

In addition to and without limiting the other rights provided by this Declaration, Declarant and/or an Owner have the right to enforce the Declaration's Architectural Restrictions and Design Criteria, against any other Owner. The Declarant or Owner may sue to enforce these provisions even if the Committee approves the Structure/Improvements. Committee review of a Structure/Improvement, Plans or Specifications is not a condition precedent to Declarant's or Owner's right to enforce this Declaration.

**ARTICLE IV.  
ARCHITECTURAL REVIEW**

A. Prohibition Against Building Without Committee Approval.

1. Except as provided in Article IV. A. 2., no residence, garage or outbuilding [hereinafter “Structure”], and no solar panels, satellite dishes, signs, fence, retaining wall, swimming pool, tennis court, kennel or other improvement [hereinafter “Improvement”] shall be constructed, added, erected, placed or maintained upon any Lot or property in the Development nor shall there be any changes made to the exterior of such Structures or Improvements by way of alteration or adding thereto, unless prior to the commencement of any construction, excavation or other work, the Committee approves the Structure or Improvement as provided in this Declaration.

2. The Declarant, its successors or assigns, shall not be required to obtain Committee approval for construction of any Structure or Improvement that the Declarant is required to provide under the Development Agreement.

B. Submission of Plans.

1. An Owner requesting approval of construction of a proposed Structure or Improvement shall submit the Plans, Specifications, and Acknowledgment described in Article IV.C. to the Chair of the Initial Committee at the address shown above, or, after creation of the Association, to the Registered Agent of the Association.

2. The Committee shall require that the submitted Plans and Specifications be prepared and stamped by a licensed architect or engineer.

C. Contents of Submission.

1. Plans & Specifications.

Plans and Specifications submitted to the Committee shall contain sufficient information to demonstrate that the Structure or Improvement complies with this Declaration and the Development Agreement and shall include:

- a. front, side and rear elevations,
- b. floor plans for each floor and basement,
- c. finish floor elevations,
- d. a description of the exterior finish,

- e. a plot plan containing the following: the location, orientation of the proposed Structure or Improvement with reference to the streets and lot lines, including setbacks (showing actual dimensions to property lines), roofs, decks, porches, gazebos, walkways and driveways and a general landscaping plan indicating the location of trees, yard lights and other details,
- f. designation of the construction starting date and completion date,
- g. landscaping plans for the park strip in the front yard, consisting of at least 2 trees, of which the trunk caliper shall be a minimum of 2 inches and complying with the requirements of Section 3.1 (b)(13) of the Development Agreement, and
- h. a place or places for the Committee Chair to execute if the plans are approved.

2. Acknowledgment by Owner. On a form approved by the Committee, the Owner shall execute and submit with the Plans and Specifications an acknowledgment agreeing and warranting:

- a. that he has read this Declaration, and that the Plans and Specifications comply with the Declaration's Architectural Restrictions and Design Criteria in Article V,
- b. that the completed Structure or Improvement will comply with the Plans, Specifications, and Declaration,
- c. that he will pay the Committee's costs of reviewing the Plans and Specifications, and
- d. that, in addition to any other remedy that they may have, he will pay any costs incurred by the Declarant, Association, Committee, or other Owners as a result of failure to build in accordance with this Declaration, the Plans and Specifications, including court costs and attorney's fees incurred by the Declarant, Association, Committee, or other Owners in enforcing this Declaration.

D. Committee's Review and Decision.

1. The Committee shall review the Plans and Specifications to determine whether, in the opinion of the Committee, the proposed Structure or Improvement:

- a. complies with the requirements of the Development Agreement, local ordinances, and the Declaration including the Architectural Restrictions and Design Criteria,
- b. promotes a desirable and attractive residential community,
- c. harmonizes the community with the natural beauty of the surrounding area, and protects the visual pattern of the community, and harmony in the visual relationships between buildings to preserve the natural beauty of the surrounding area,
- d. provides specific minimum requirements for housing construction to help achieve these goals,
- e. protects and enhances property value of all lots and homes in the Development, and
- f. establishes and maintains a clean, orderly, friendly and pleasant residential atmosphere for all Owners.

In considering the foregoing, the Committee will be guided by the following principles:

- a. Proposed Structures and Improvements should be consistent with the architectural style, exterior, size and features of the existing structures in the Development in size, scale and design.
- b. The use of unusual shapes, colors and other characteristics which cause new buildings to call excessive attention to themselves shall be avoided.

2. Committee's Decision.

- a. Subject to the notice, quorum, and other procedural requirements of its Bylaws, the Committee shall, in writing, approve or reject the proposed Structure or Improvement. The Committee shall notify the Owner in writing of its decision, and shall, at Owner's expense, maintain copies of all Plans, Specifications, or other documents submitted as part of the approval process.
- b. If no action is taken by the Committee within forty-five (45) days from the date of the Committee's receipt of the complete Submission required by Article IV. C., then the Plans and Specifications are deemed approved and the Owner may proceed without further action to construct the Structure or Improvement in conformity with this Declaration and the submitted Plans and Specifications.

- c. An approval under Article IV. D. 2. a and b is valid for six months from the date of approval. If construction has not started within six months from the date of approval, the approval is terminated and a new Submission must be submitted for approval.
- d. If not approved, the Owner is prohibited from commencing construction until the Plans and Specifications are modified, re-submitted, and approved by the Committee.

E. Owner's Responsibilities Following Committee Approval.

1. If the Committee approves the Structure or Improvement, the Owner shall provide the Committee with a copy of the Plans and Specifications as approved and shall submit to Wasatch County for a building permit exact duplicates of the approved Plans and Specifications executed by the Committee Chair. Construction may commence upon obtaining the requisite building permits from Wasatch County demonstrating compliance with applicable ordinances.

2. Once Plans and Specifications have been approved (or deemed approved) and written notice of approval has been given, all changes, additions or deletions from the approved Plans and Specifications must also be submitted to the Committee for review and approval, including any design changes that occur during the construction process.

3. The Owner warrants and guarantees that the Owner's licensed professionals and contractors will construct the improvements in conformity with the approved Plans and Specifications, and within the approved time frame.

F. Construction in Violation of Declaration.

If an Owner or any person engages in construction of a Structure or Improvement in violation of the Declarations or without obtaining Committee approval, the Declarant, the Association or any Owner shall have the right to enforce, by any proceeding at law or in equity, the provisions of this Declaration. Without limiting the foregoing, the Declarant, the Association or any Owner may seek to stop construction or to obtain removal of any Structure or Improvement which does not conform to the approved Plans and Specifications, or which was not approved by the Committee.

**ARTICLE V.  
ARCHITECTURAL RESTRICTIONS & DESIGN CRITERIA**

1. Buildings Restricted to Single-family Residence, Garages and Outbuildings. Each Lot shall contain a private, detached, single-family residence. Appropriate outbuildings not intended for human habitation may, with Committee approval, be located upon the Lot. No other Structure or Improvement shall be erected, altered, placed upon or permitted to remain on any Lot, nor shall any dwelling be erected on any Lot for use other than as a private residence.

2. Residence design. Single-family dwelling structures shall consist of 1,500 square feet of floor area on the main floor; two-story residences shall have not less than 1,000 square feet on the main floor with a minimum of 500 square feet on the second level; multi-level residences shall have a minimum “footprint” size, at grade level, of 1,800 square feet.

3. Roofs. No Structure or Improvement shall be more than thirty-five (35) feet in height, measured from the average natural grade. Roof slopes for residences shall be a minimum of 6/12 and a maximum of 12/12 in pitch. The following roof shapes are not permitted: mansard, fake mansard, gambrel, joined shed roof or domed roof. The following materials are approved for roofs: tile, slate, cedar shake, cedar shingles, wood shingles or architectural grade asphalt shingles having at least a 25-year guarantee.

4. Exterior materials. The exterior surface of all structures must include any of the following: wood, stone, stucco and/or brick. All structures shall have a minimum of 30% stone, rock or brick on any exterior wall that fronts a street. On corner lots, the two street fronting areas must use 30% stone or rock. Any other proposed building materials must be approved by the Committee, which can reject any other building material, in its discretion, for any reason. No vinyl or aluminum siding will be allowed.

5. Code requirements. Every residence shall conform to the Utah Uniform Building Code.

6. No oil or L.P. gas tanks. The primary heat source for all structures and improvements shall be solar, natural gas delivered by pipeline or electric heat. Except for temporary periods during construction of the structure, no heating oil, propane, butane, or other bulk fuel storage may be installed or utilized on the property.

7. Garage design. Each residence in the Development shall have an attached garage of no less than two bays. Each bay shall have minimum dimensions of 10 feet by 20 feet.

8. Driveways. Each garage shall be serviced by a driveway, constructed of concrete, asphalt or comparable materials and placed on properly compacted earth, of sufficient width to park two vehicles side-by-side. No dirt or gravel driveways or parking pads will be permitted. The driveway shall be completed prior to occupancy of the residence. The Owner shall be responsible for maintaining the driveway in reasonable repair. The driveway shall be constructed of sufficiently thick material to resist cracking and shall be installed in a manner to resist spalling and flaking in the driveway surface.

9. Carports. Carports are prohibited.

10. Landscaping. As required by Article IV.C., landscaping plans shall be submitted to the Committee with the Plans and Specifications for the residence. Landscaping shall be completed within one hundred eighty (180) days of occupancy (weather permitting). The Owner

shall provide one 2 inch caliper tree every 50 feet in the park strip in front of and on the side of the property if corner lot. The trees shall be planted within 180 days of occupancy and shall be the same species for the entire street that the lot is located on and will be as follows:

Cobblestone Drive	Autumn Purple Ash
Fieldstone Lane and Circle	Sensation Box Elder
Graystone Lane	Redmond Linden
Red Rock Circle	Autumn Purple Ash
Ledgestone Lane	Sensation Box Elder
Shadow Rock Circle	Redmond Linden
Keystone Court	Autumn Blaze Maple
Cornerstone Lane	Autumn Blaze Maple

11. Satellite dishes and solar panels. Any satellite dishes larger than 3 feet in diameter must be located and screened in a manner approved in advance by the Committee so that they are not directly visible from any adjoining Lot at ground level. Solar panels will be permitted only with the consent of the Committee and if permitted at all, must lie flat against the roof or other surface and may not differ in pitch or color from the roof or other surface on which they are mounted.

12. Setbacks. Owners shall comply with the setbacks as approved by the County.

13. Fencing. Subject to the Committee's approval of a specific fence color, material type and location, the following shall govern fences within the Development:

- a. All fencing material shall be Trex, vinyl or wrought iron. Fencing shall be uniform and will conform with the County fence requirements.
- b. Any fence that borders the Common Areas shall be of open design if over 4 feet high and compatible with other fences bordering the Common Area. Solid sight obscuring fencing shall not be allowed on the borders of the Common Areas (except along 1200 South) so that the Common Area may be visible to help eliminate any security concerns. Any owner may add mesh (to contain dogs) on the interior side. Any Owner may install privacy fencing on the borders of the Common Areas, so long as it is at least 25 feet from back of property that is adjoining the Common Areas. Side yard fencing can be privacy type up to the Common Area border. No fencing allowed across the front yard or along any sidewalk. Fencing along side property lines are permitted and shall not exceed three feet in height from the sidewalk to the front house corner.
- c. No chainlink fencing allowed.

14. Excavation. No excavation for stone, gravel or earth shall be made on any Lot or property within the Development, unless such excavation is made in connection with the erection of a Structure or Improvement thereon and then only after Committee approval is first obtained.

15. Signs. No signs, billboards or advertising Structures shall be displayed on any of the Lots or property except for the name and address of the resident upon a mailbox. Temporary signs not exceeding 18 inches by 24 inches may be permitted to advertise the fact that a Lot or residence is for sale or as campaign or election issue signs during campaigns for government office or prior to votes on election issues. Such signs shall be removed after the sale of the property and immediately after the end of the election or vote. The Declarant may place a sign of unlimited size at one or more entrances to the Development, temporarily for sale or permanently identifying the Development. Small security signs may be displayed in front yard area.

16. Mailboxes. All mailboxes will be clustered and provided by the U.S. Postal Service.

## **ARTICLE VI. CONSTRUCTION**

### **A. Diligence.**

When the construction of any Structure or Improvement is begun, work thereon must be prosecuted diligently and it must be completed within one (1) year of commencement.

### **B. Rules Governing Construction Practices.**

During construction of a home, the Owner shall comply and shall ensure that Owner's builder complies with the following:

1. Construction Vehicles. To the maximum extent possible, construction-related autos, trucks and equipment shall be parked in an orderly manner on the construction site. Vehicles and equipment parked on the street for construction purposes must be confined to the same side of the street as the Lot where construction is taking place. Vehicles must not be parked in front of an existing home and under no circumstances may they be parked on the street overnight. Vehicles parked on the street for construction purposes must not impede, hinder or restrict the snow removal from the streets.

2. Use of Roads and Bond. The Owner and Owner's builder shall take all reasonable precautions to prevent damage to roads during construction, including without limitation, construction of a driveway from the road to the site of the residence. Mud, debris, gravel and similar materials deposited by construction or construction vehicles or equipment shall be cleaned from the roadways daily by the builder. If the Lot Owner or builder fails to comply with

this provision, the Declarant or Association may clean the roads at the expense of the Lot Owner. The Owner shall be liable to Declarant for any damage to the roads, so long as Declarant has Ownership or is liable to Wasatch County for upkeep and repair to the roads. Unless a bond is required by Wasatch County for repairs, Owner shall pay a deposit of \$1,000 to Declarant or the Association to guarantee against damage to the roads during construction, which deposit shall be returned to Owner upon satisfactory inspection by the Declarant, the Association or their designated representative after completion of construction.

3. Construction Noise. Unnecessary noise on construction sites, such as the operation of radios and tape players at loud volume, at which under normal atmospheric conditions cognizable spoken words or musical notes can be recognized at the property line, are prohibited.

## **ARTICLE VII. OWNER'S MAINTENANCE & USE OF LOT**

A. Maintenance. All Lots and the Structures and Improvements on them, including landscaping, shall be maintained in a clean, sanitary, attractive and marketable condition at all times. No Owner shall permit his or her Lot, the Improvements or Structures to fall into disrepair.

B. Unsightliness. No unsightliness is permitted on any Lot or property. Unsightliness shall include, without limitation, (1) the open storage of any building materials (except during the construction of any Structure or Improvement), construction equipment, motor vehicles, boats, campers, trailers, trucks larger than pick-up trucks (except during periods of actual loading and unloading); (2) accumulation of lawn or tree clippings or trimmings; (3) accumulations of construction debris or waste, household refuse or garbage, except as stored in tight containers in an enclosure such as a garage; (4) accumulations of animal wastes; (5) lawn or garden furniture except during the season of use; and (6) the storage or accumulation of any other material, vehicle or equipment on the Lot in a manner that is visible to the public view.

C. Nuisances prohibited. No noxious, offensive, illegal or immoral activity shall be carried on upon any Lot or property in the Development, nor shall anything be done thereon which may be or become an annoyance or nuisance to other Owners.

D. Vehicles. No vehicle, including but not limited to mobile homes, motorcycles, snowmobiles, trailers, bicycles, boats, recreation vehicles, or automobiles shall be permitted to stand in the Development for more than three (3) days unless the same are either: (1) housed in an attached garage which completely covers and encloses the vehicle, or (2) is parked on a concrete pad that is enclosed with a six (6) foot high privacy fence on all sides. No construction or industrial type vehicle shall be stored or parked on any Lot or street in the Development except during the actual use for construction on a Lot, unless housed within the confines of an attached garage which completely covers and encloses said vehicle.

E. Street Parking. Cobblestone is designed as a pedestrian oriented community, therefore permanent parking on the Development's streets, and overnight parking on the Development's project streets will not be allowed. Short term parking on the Development's streets can be accommodated within the proposed street section on one side of the street only.

F. Animals. No animals except household pets may be kept on the property. No more than two dogs may be maintained on any lot. The Owner will comply with all federal, state and local laws governing the pets and animals. In addition, the Owner must have his dog on a leash at all times when the dog is not on the Owner's property.

G. Rentals. The Owner shall only be permitted to rent his property as provided in this Article VII, G. The Owner may rent his property, pursuant to a written lease approved by the Homeowners Association, for a term of not less than one year. The tenant shall not be permitted to sublease or assign the lease. The Owner shall require the tenant to sign an agreement that is approved by the Homeowners Association and that contains tenants promise to comply with this Declaration. The Owner shall remain responsible for the tenant's compliance with the Declaration and for any violation of the Declaration's terms.

**ARTICLE VIII.**  
**THE HOME OWNERS ASSOCIATION**  
(Membership, Organization, & Responsibilities)

A. The Declarant has incorporated or will incorporate a Utah non-profit corporation called the Cobblestone Community Home Owners' Association, Incorporated.

B. Membership. Each Owner shall be entitled and required to be a member of the Association, and the Owner shall be entitled to one membership for each Lot owned. Membership shall begin immediately and automatically upon the person becoming an Owner and shall terminate immediately and automatically upon ceasing to be an Owner. Ownership of a Lot within the Development cannot be separated from membership in the Association. If title to a Lot is held by more than one person, the membership appurtenant to that Lot shall be shared by all such persons in the same proportionate interest and by the same type of tenancy in which title to the Lot is held.

C. Board of Directors. The Board of Directors shall be responsible for the operation and governance of the Association. The Declarant shall have the exclusive right to appoint and remove all Directors until 75% of the Lots in all Phases have been sold. After 75% of the Lots in all Phases have been sold, the Owners shall elect the Board of Directors as provided in the Association's Articles of Incorporation, Bylaws, and Utah Revised Nonprofit Corporation Act.

D. Votes. The number of votes appurtenant to each Lot shall be one (1) which shall not be altered except by the unanimous written consent of all Owners expressed in a duly recorded amendment to this Declaration.

E. Miscellaneous Goods and Services. The Association may obtain and pay for the services of such personnel for the proper operation of the Association and the operation and maintenance

of the Common Areas and Common Facilities whether such personnel are furnished or employed directly by the Association or by any person or entity with whom it contracts. The Association may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Association or the enforcement of this Declaration. In addition to the foregoing, the Association may acquire and pay for water, sewer, garbage collection, electrical, gas and other necessary and desirable utility services for the Common Areas and Common Facilities.

F. Limitations of Contract. Any contract for professional management or any contract providing for the services of the Owner, Developer, Sponsor or Builder of the Lots, shall have a term of no more than three years and shall be terminable by the Association at any time upon 90 days written notice. Any such contract shall be terminable by the Association without cause and without penalty.

G. Real and personal property. The Association may acquire real, personal and mixed property of all kinds for the use or benefit of all of the Owners and may dispose of such property by sale or otherwise; provided that, after 75% of the Lots in all Phases have been sold, any acquisition or disposition of any real, personal or mixed property that has a value exceeding \$5,000 must be approved by vote of at least 51% of the votes of the Owners present in person or through proxy at a meeting duly called for that purpose.

H. Rules and Regulations.

1. The Association may make reasonable rules and regulations governing the use of the Lots, the Common Areas, Common Facilities, and all parts of the Development, which rules and regulations shall be consistent with the rights and duties established in this Declaration. These rules and regulation may include fines or penalties for violations.

2. The Association may take judicial action against any Owner or other person to enforce compliance with such rules and regulations, or to recover fines, penalties or damages for noncompliance therewith.

3. In the event of such judicial action, the Association shall be entitled to recover its costs, including reasonable attorney's fees.

I. Implied Rights. The Association may exercise any right, power, privilege given to it expressly by this Declaration or by law, and every other right and privilege reasonably implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

**ARTICLE IX.**  
**THE HOME OWNERS ASSOCIATION**  
(Common Areas and Facilities)

A. From time to time, Declarant may, but is not obligated, to transfer to the Association property described in Section 3.1(b)(7) of the Development Agreement and designated as Common Areas for the purposes of this Declaration. This Common Area may be used by the Association as provided in this Declaration, the Development Agreement, the County Current Approvals (as defined in the Development Agreement) and the recorded Plat. In addition, from time to time, Declarant will transfer to the Association various improvements described in Section 3.1(b)(7) of the Development Agreement and designated as Common Facilities for the purposes of this Declaration. In consideration for the transfer of the Common Areas and Common Facilities, the Association shall assume sole and complete responsibility for the operation and maintenance of the Common Areas and Common Facilities.

B. The Association shall be responsible for the exclusive management and control of the Common Areas and all improvements thereon (including the Common Facilities), and shall keep the same in good, clean, attractive, safe and sanitary condition and repair. The Association shall be responsible for the maintenance, repair and replacement of the Common Areas and the Common Facilities.

**ARTICLE X.**  
**THE HOME OWNERS ASSOCIATION**  
(Assessments)

A. Agreement to Pay Assessments. The Declarant for each Lot owned by it within the Development and for and as the owner of the Development and every part thereof, hereby covenants and each Owner of any Lot by the acceptance of instruments of conveyance and transfer shall be deemed to covenant and agree with each other and with the Association to pay to the Association all assessments made by the Association. Such assessments shall commence, at the beginning of the first fiscal year after the conveyance of the first Lot in a Phase and shall be fixed, established and collected from time to time as provided in this Article. The Declarant shall be liable for the amount of any assessments against Lots owned by it.

B. Timing of Assessments. The Association shall not assess any Lot until 30 days after the Declarant transfers and the Association accepts title and maintenance responsibility for the Common Areas and Common Facilities in the Phase in which the Lot is located.

C. Annual Assessment. Except for its first fiscal year, the Association, shall compute and assess Annual Assessments against each Lot in the Development as follows:

1. Proposed Annual Budget and Assessment. On or before November 1, the Board shall prepare and mail, by first class mail, to each Owner a proposed budget for the upcoming fiscal year. The proposed budget shall itemize the estimated Association Expenses for such fiscal

year, anticipated receipts, the proposed Annual Assessment per Lot, and any deficit or surplus from prior operating periods. With the budget, the Board shall include a notice to the Owners providing the date, time and place of the Board meeting at which the final Annual Budget will be approved and stating that the approved Annual Budget will provide the basis for the Annual Assessment. The meeting on the budget shall be on or before December 15 of the fiscal year and no earlier than 14 days after the notice was mailed.

2. Approval of Annual Budget and Assessment. At the budget meeting, the Board shall adopt the Annual Budget and impose the Annual Assessment. In setting the Annual Assessment, the Board shall apportion the Association Expenses (less any surplus) on a per Lot basis.

3. Notice and Payments.

- a. The Board shall notify, by first class mail, each Owner as to the amount of the Annual Assessment against his Lot on or before December 15th each year. The Board's failure to give timely notice of any Annual Assessment shall not be treated as a release of any Owner from the obligation to pay the assessment, but the date the payment shall become due in such case shall be deferred to a date fifteen days after notice of such assessment shall have been given.
- b. Each Annual Assessment shall be payable in twelve equal monthly installments, one such installment due on the first day of each month. All unpaid installments shall bear interest at the rate of 1.5% per month until paid. In addition, in the event that any installment of any Annual Assessment is not paid within ten days of the date such installment is due, it shall be subject to a penalty for late payment of one dollar per day from the date each such installment became due until paid.
- c. Inadequate Funds. If, at any time, the funds periodically received from the Annual Assessment are inadequate, for whatever reason, to timely pay the Association Expenses, the Board may on behalf of the Association levy additional assessments in accordance with the procedure set for in this Article X.D.

D. Special Assessments.

1. In addition to the Annual Assessments and pursuant to this Article X.D., the Association may levy Special Assessments.

2. Notice of Proposed Special Assessment. Before levying a Special Assessment, the Board shall send by first class mail, to each Owner a notice informing the Owners of: (a) the

amount of the Special Assessment per Lot, (b) of the reasons for the Special Assessment, and (c) the date, time and place of the Board meeting at which the Board will consider adoption of the Special Assessment. The meeting on the Special Assessment shall be no earlier than 14 days after the notice was mailed.

3. Approval of Special Assessment. On the date set for the Board meeting, the Board may adopt or reject the Special Assessment. If adopted, the Board shall state the reasons for the Special Assessment, shall state the date on which the assessment is due, and shall apportion the Special Assessment among the Owners on a per lot basis. No payment shall be due less than 15 days after such notice of the assessment is mailed.

4. Limitation on Special Assessment. The funds received from a Special Assessment shall be placed in a separate account and shall be used only for the reasons or purposes set forth by the Board. Any surplus amounts after payment for these reasons or purposes will be treated as surplus for the next fiscal year.

5. Notice and Payments.

- a. The Board shall notify, by first class mail, each Owner as to the amount of the Special Assessment, the reasons for the Special Assessment, and the date on which the Special Assessment is due. The Board's failure to give timely notice of any Special Assessment shall not be treated as a release of any Owner from the obligation to pay the assessment, but the date the payment shall become due in such case shall be deferred to a date fifteen days after notice of such assessment shall have been given.
- b. Failure to pay Special Assessments shall be subject to the same interest rates and late fees as Annual Assessments.

E. Lien for Assessments.

1. Grant of Lien. The Declarant for each Lot owned by it within the Development and for and as the owner of the Development and every part thereof, hereby grants and each Owner of any Lot by the acceptance of instruments of conveyance and transfer is deemed to grant the Association a lien to secure the Declarant's or Owner's payment of any Special or Annual Assessment plus penalties, interest and attorney's fees. No Owner may avoid or diminish this lien by waiver of the use and enjoyment of any of the Common Areas or the amenities provided by the Association or by abandonment or transfer of his Lot.

2. Notice of Lien. This lien may, but need not, be evidenced by a written notice of lien recorded at the County Recorder's Office and setting forth the amount of the assessment, the date due, the amount remaining unpaid, the name of the Owner of the Lot, and a description of

the Lot. No notice of lien shall be recorded until there is a delinquency in payment of the assessment.

3. Enforcement of Assessment Lien. The Association may enforce the Assessment Lien by foreclosure in the manner provided for the foreclosure mortgages or in any other manner permitted by law. In any such foreclosure, the Owner shall be required to pay the costs and expenses of such proceeding including reasonable attorney's fees and such costs shall be secured by the lien being foreclosed. The Association may bid at the foreclosure sale.

F. Assessment Personal Obligation of Owner.

1. The amount of any Annual or Special Assessment shall be the personal obligation of the Owner of the Lot at the time of the Assessment. No Owner may avoid or diminish this personal obligation by waiver of the use and enjoyment of any of the Common Areas or the amenities provided by the Association or by abandonment or transfer of his Lot.

2. The Association may sue to recover on the personal obligation without first foreclosing or waiving the lien securing the same.

3. In the event of any suit to recover a money judgment for unpaid assessments hereunder, the Owner shall pay the costs and expenses incurred by the Home Owners Association including reasonable attorney's fees.

G. Statement of Account.

1. Upon payment of a reasonable fee not to exceed \$10.00 and upon written request of any Owner, the Board shall issue a written statement setting forth the following: (a) the amount of any unpaid Annual or Special Assessment, (b) the amount of the current Annual and/or Special Assessment, and (c) the date or dates on which the Annual or Special Assessment or any installments are due.

2. Such statements shall be conclusive upon the Association in favor of persons who rely thereon in good faith. If the Association fails upon written request to issue such a written statement, any unpaid assessments with respect to such Lot which became due prior to receipt of the request shall become subordinate to a lien held by the person or entity requesting the statement.

H. Fines.

1. As provided in this Article X, H, and *Utah Code Ann.* § 57-8a-208, the Board may assess a fine against an Owner for violation of Articles IV, V, and VI of this Declaration.

2. The Board shall assess fines in the following amounts: (1) \$50.00/day until corrected for first violation, and (2) \$100.00/day until corrected for second violation. The Board may increase or decrease the fine to an amount commensurate with the nature of the violation.

3. Before assessing a fine, the Board shall: (a) notify the Owner of the violation; and (b) inform the Owner that a fine will be imposed if the violation is not remedied within 48 hours or such longer time as the Board may allow.

4. Unpaid fines may be collected in the same manner as an unpaid assessment as set forth in this Declaration.

5. Protests.

- a. An Owner who is assessed a fine may request an informal hearing before the Board to protest or dispute the fine by delivering a written protest to the Associations office, within 14 days from the date the fine is assessed. The Board may, but is not required to, consider untimely protests. The protest shall state with reasonable specificity the grounds on which the Owner challenges the fine.
- b. The only issues that the Board may consider in considering protest are: (i) whether the Owner violated the Declaration, (ii) whether the Owner failed to timely correct the violation, and (iii) whether the amount of the fine was commensurate with the nature of the violation. The Owner shall have the burden of proof by a preponderance of the evidence on each of these issues.
- c. The Board shall hear the protest within 15 days of receipt of the protest, at a regular or special meeting. The Board may extend the time for hearing the protest, but the fine shall not accrue during such additional time.
- d. The Board shall send the owner notice of the meeting to hear the protest, not less than five business days before the meeting.
- e. At the meeting, the Owner may be represented by an attorney or other representative and will be given an opportunity to present relevant information in the form of documents or testimony. Other Owners, who may be directly affected by the alleged violation or protest, may also be heard, may be represented by an attorney or other representative, and will be given an opportunity to present relevant information in the form of documents or testimony. The Association may also be represented by an attorney or other representative, and will be given an opportunity to present relevant information in the form of documents or testimony.

- f. The Board shall exercise reasonable control over the mode and order of parties' presentation of information through documents and testimony. The Board may refuse to consider irrelevant or needlessly cumulative documents or testimony or may direct that written submissions be made rather than oral testimony.
- g. Within five business days of adjournment of the meeting, the Board shall meet and issue a written decision on the protest stating its reasons for approving or rejecting the protest or for modifying the fine.

#### **ARTICLE XI. ENFORCEMENT**

1. Except for the provisions of Article X Assessments, the Declarant or any Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, easements, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration.

2. The Association, on its own behalf or as representative of the Owners, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, easements, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration.

3. Failure of the Declarant, the Association, or any Owner to enforce any covenant or restriction contained in this Declaration shall in no event be deemed a waiver of the right to do so at a later date.

4. The prevailing party in any action in law or equity to enforce this Declaration shall be entitled to recovery their costs including attorney's fees

#### **ARTICLE XII. MISCELLANEOUS PROVISIONS**

1. Severability. Invalidation of any one of these covenants and restrictions by judgment or court order shall in no way affect any of the other provisions, which shall remain in full force and effect.

2. Attorney's Fees. The prevailing party in any action to enforce, in law or equity, the terms of this Declaration will be entitled to recover their attorneys fees and costs.

3. Amendment. Until March 2013, this Declaration may be amended only by a written document signed by the Developer and duly recorded in the Office of the Wasatch County Recorder. After that date, the Declaration may be amended by a vote of the Owners of a majority of the Lots in the Development.

4. Municipal Ordinances. The restrictions of this Declaration shall be in addition to and not in conflict with the zoning ordinances now in force for Wasatch County, Utah.

5. Constructive Notice. Every person who owns, occupies, or acquires any right, title or interest in any lot in the Development is conclusively deemed to have notice of this Declaration and its contents, and to have consented to the application and enforcement of each of the covenants, conditions and restrictions against his or her Lot, whether or not there is any reference to this Declaration in the instrument by which an individual acquires a Lot.

6. Notice to Owners. Any notice required to be given to the Owners shall be deemed given upon sending of the notice by first-class mail to the Owner's address shown on the Association's records or provided to the Association in writing by the Owner.

7. Limitations of Restrictions on Declarant. Declarant is undertaking the work of planning, developing and selling the property within the Development. The completion of that work and the sale or other disposal of the lots or parcels is essential to the establishment and welfare of the Development. In order that such work may be completed as rapidly as possible, nothing in this Declaration shall be understood and construed to:

- a. prevent Declarant, its contractors or subcontractors from doing, on the Property or any part thereof, whatever is reasonable or advisable in connection with the completion of such work; or
- b. prevent Declarant, or its representatives, from conducting on the Property its business of completing said work and establishing said property as a residential community and disposing of the property in lots or parcels by sale, lease or otherwise or from erecting, constructing or maintaining on any part of the Property such Structure as may be reasonably necessary to conducting such businesses; or
- c. prevent Declarant from maintaining such sign or signs on any part of the Property as may be necessary and convenient for the sale, lease or disposition of lots.

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In witness hereof the undersigned Declarant has caused this Declaration to be executed by its duly authorized member the day and year first above written.

COBBLESTONE DEVELOPMENT L.L.C.,  
A UTAH LIMITED LIABILITY COMPANY.

By: \_\_\_\_\_  
MIKE PETERSEN  
MANAGER

STATE OF UTAH            )  
                                  ) ss  
COUNTY OF WASATCH )

On the \_\_\_\_\_ day of \_\_\_\_\_, 2006, MIKE PETERSEN personally appeared before me and, on his oath, acknowledged to me that he is the Manager of Cobblestone Development, L.L.C., a Utah Limited Liability Company, and that the foregoing DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS was signed pursuant to authority of the Operating Statement, for and in behalf of said corporation, which executed the same.

\_\_\_\_\_  
Notary