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~~EH 2657589 PG 1 OF 32
ERNEST D ROWLEY, WEBER COUNTY RECORDER
27-SEP-13 353 PM FEE \$145.00 DEP JKC
REC FOR: SHERWOOD PARK PUD~~

AMENDED AND RESTATED

DECLARATION
OF
COVENANTS, CONDITIONS
AND
RESTRICTIONS
FOR
SHERWOOD PARK PUD

SEPTEMBER 2013

EH 2963373 PG 1 OF 42
LEANN H KILTS, WEBER COUNTY RECORDER
30-JAN-19 340 PM FEE \$146.00 DEP JKC
REC FOR: SHERWOOD PARK PUD

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Exhibit A - Legal Description

Exhibit B - Fines Rule

Exhibit B-1 - Amount of Fines

**AMENDED & RESTATED
DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
SHERWOOD PARK**

(a Residential Planned Unit Development Subdivision)

RECITALS

WHEREAS, Sherwood Park Residential Planned Unit Development Subdivision (Sherwood Park) was created by the Declaration of Covenants, Conditions and Restrictions (CC&R's) for Sherwood Park dated June 19, 1972, and recorded in the Records office of Weber County, Utah, on September 5, 1972, and there have been various amendments thereto (all of which documents recorded prior to this Declaration, including Sherwood Park Owners Association Bylaws, are collectively referred to as the Prior CC&R's); and

WHEREAS, Sherwood Park Owners Association (Association) desires to amend the Prior CC&R's to update and modify provisions in the Prior CC&R's; and

WHEREAS, Sherwood Park Owners Association desires to (1) preserve and enhance the quality of life at Sherwood Park have purchased their units for the purpose of using their Unit as an owner occupied single housekeeping residence, (2) prevent disregard for the welfare and consideration of others, (3) prevent nuisances and inconvenience to the residents of Sherwood Park, (4) clarify the responsibility of the Management Committee and the Owners relative to maintenance of Units and Common Area, (5) enforce the rules of the Association more consistently, fairly and economically, and (6) to generally update, amend and restate the Sherwood Park CC&R's;

WHEREAS, the Owners realize that the value of their Units are directly related to the ability to sell their Units, that the ability to sell their Units is directly related to the ability of prospective borrowers to obtain financing, and that underwriting standards at financial institutions and secondary mortgage markets restrict the percentage of tenant occupied Units that can exist in a PUD: and further, when too high a percentage of tenant occupied Units exist in a PUD, a buyer will not be able to qualify for favorable and competitive market interest rates and financing terms, thus inhibiting Owners' ability to sell their Units and depressing the value of all the Units at Sherwood Park;

NOW THEREFORE, the Owners of Sherwood Park hereby amend and restate all Prior CC&R's for Sherwood Park recorded against the real property located in Weber County, Utah, known as Sherwood Park and more fully described on Exhibit "A" attached hereto. If there is any conflict between this Amended and Restated Declaration and Prior CC&R's, this Amended and Restated Declaration shall control.

The Sherwood Park prior CC&R's are hereby amended and restated as follows:

1. DEFINITIONS

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When used in this Amended and Restated Declaration (including the foregoing portion hereof entitled "Recitals"), unless the context clearly indicates otherwise, the following terms shall have the meaning indicated.

- 1.1 **Amended and Restated Declaration** means this instrument, and any amendments.
- 1.2 **Association** means Sherwood Park Owners Association, its successors and assigns.
- 1.3 **Board of Directors** or "**Board**" means that body charged with and having responsibility to govern the affairs of the Association, which is appointed or elected in accordance with this Amended and Restated Declaration and the Bylaws of the Association.
- 1.4 **Bylaws** shall mean those Bylaws as duly adopted by the Sherwood Park Owners Association and as amended.
- 1.5 **Governing Documents** means the Amended and Restated Declaration, the Bylaws, the Articles of Incorporation, and the Rules and Regulations of Sherwood Park Owners Association and as amended.
- 1.6 **Common Area** means that portion of property owned by the Association, shown on the plat as dedicated to the common use and enjoyment of the Owners and includes all that part of the Property which is not included within the Lots, including all improvements other than public utility lines now or hereafter constructed or located thereon, including but not limited to the following: private streets, parking areas, playgrounds, pools, sidewalks, open areas, and all other parts of the property necessary or convenient to the existence, maintenance and safety of the Common Area, or normally in common use.
- 1.7 **Limited Common Area** means that portion of property owned by the Association, shown on the Plat or described herein as dedicated to the exclusive use and enjoyment of the Owner of the Lot wherein such limited common area is located and subject to rights of the Association as set forth in this Amended and Restated Declaration.
- 1.8 **Lot** shall mean and refer to any of the separately numbered residential lots or parcels of land shown on the Plat comprising Sherwood Park, including any improvements thereon, with the exception of the Common and Limited Common Areas. Each Lot is owned in fee simple by the Owner. (Owner owns the land the dwelling sits on.)
- 1.9 **Unit** shall mean and refer to a structure or portion of a structure which is designed and intended for use and occupancy as a single housekeeping unit (one occupant per every 500 square feet or no more than two (2) people per bedroom) and which is complete and ready for occupancy, together with all improvements located on the Lot concerned which are used in conjunction with such residence.
- 1.10 **Member** means every person or entity who holds membership in the Association. Every Member must be a Lot Owner, and every Owner is a Member of the Association.
- 1.11 **Mortgage** means any mortgage or deed of trust encumbering any Lot and any other security

interest existing by virtue of any other form of security instrument or arrangement, provided that such mortgage, deed of trust or other form of security instrument, and an instrument evidencing any such other form of security arrangement, has been recorded among the Recorder's Office.

1.12 **Mortgagee** means the person or entity secured by a Mortgage

1.13 **Owner(s)**, shall mean and refer to the owner of record (in the office of the County Recorder of Weber County, Utah), whether one or more persons or entities, of a fee or undivided fee interest in any Lot and/or unit, including contract sellers, but not including purchasers under contract until such contract is fully performed and legal title is conveyed of record. Notwithstanding any applicable legal concept or theory relating to a mortgage, deed of trust or like instrument, the term "Owner" shall not include a mortgagee, a trustee or beneficiary under a deed of trust or holder of a similar interest given merely as security for the performance of an obligation unless and until such party has acquired title pursuant to foreclosure or an arrangement or proceeding in lieu thereof.

1.14 **Tenant** and/or **Guest** shall mean any Owner's guest, invitee, family member, and contract purchaser, leaseholder or tenant who is not an Owner or Member of the Association. ~~CH 2663373 PG 2 OF 42~~

1.15 **Party Walls** means and refers to the walls separating the Units.

1.16 **Plat or Map** means the subdivision plat recorded at the Weber County Recorder's Office entitled "Sherwood Park PUD," and any replacements thereof, or additions thereto.

1.17 **Property** means that certain real property hereinbefore described and as described in Exhibit "A" to this Amended and Restated Declaration.

1.18 **Project** means all real property, Common Area, limited Common Area and Units that constitute Sherwood Park PUD.

1.19 **PUD** (Planned Urban Development) is a means of land regulation which promotes large scale, unified land development. In a PUD, the property owner owns the land the dwelling sits on and the Owners' Association owns all common areas.

1.20 **Rules** shall mean the Rules and Regulations of the Sherwood Park Owners Association.

2. PROPERTY DESCRIPTION

2.1 The Property which is and shall be held, occupied, sold, leased, transferred and conveyed subject to the provisions of this Amended and Restated Declaration consists of the tracts of real property described in the attached Exhibit A, situated in Weber County, State of Utah.

3. ASSOCIATION MEMBERSHIP AND VOTING

3.1 **Membership.** Every Owner shall be a Member of the Association. Membership in the Association shall be mandatory, shall be appurtenant to the Lot in which the Owner has the necessary interest, and shall not be separated from the Lot to which it is appurtenant. Membership shall begin automatically and immediately upon becoming an Owner, and shall terminate immediately and automatically upon ceasing to be an Owner. No person or entity other than an Owner may be a Member of the Association, and membership in the Association

may not be transferred except in connection with the transfer of a Lot.

- 3.2 **Voting Rights.** The Association shall have one class of voting membership which shall consist of all Owners who shall be entitled to **one** vote for each Lot in which the interest required for membership in the Association is held.
- 3.3 **Multiple Ownership Interests.** In the event there is more than one Owner of a particular Lot, the **one** vote relating to such Lot shall be exercised as the Owners thereof may determine among themselves. A vote cast at any Association meeting by any of such Owners, whether in person or in writing (see 3.4 Consent in Lieu of Vote), shall conclusively be presumed to be the vote attributable to the Lot concerned unless an objection is immediately made by another Owner of the same Lot. In the event such an objection is made, the vote involved shall not be counted for any purpose whatsoever other than to determine whether a quorum exists.
- 3.4 **Consent in Lieu of Vote (Sherwood Park does not allow proxy votes).** In any case in which this Amended and Restated Declaration requires for authorization or approval of a transaction the vote of a stated percentage of the votes present or represented at a meeting, such a requirement may be fully satisfied by obtaining, with or without a meeting, consents in writing to such transaction from Members entitled to cast a vote.

The following additional provisions shall govern any application of this Section 3.4:
 - 3.4.1 All necessary consents must be obtained prior to the expiration of thirty (30) days after the first consent is given by any Member.
 - 3.4.2 The total number of votes required for authorization or approval under this Section shall be determined as of the date on which the last consent is signed.
 - 3.4.3 Unless the consent of all Members whose memberships are appurtenant to the same lot is secured, the consent of none of such Members shall be effective.
- 3.5 **Amplification.** The provisions of this Article III may be amplified by the Bylaws of the Association; provided, however, that no such amplification shall substantially alter or amend any of the rights or obligations of the Owners as set forth in this Amended and Restated Declaration.
- 3.6 **Suspension of Voting.** The Association may suspend the voting rights of any Owner after notice and an opportunity to request a hearing for any period not to exceed sixty (60) days for any infraction of any of the Governing Documents, including failure to timely pay an assessment for a period of sixty (60) days or more.

4. OWNERS RIGHTS IN COMMON AREAS

- 4.1 **Owners' Easements of Use and Enjoyment.** Every Owner shall have a nonexclusive right and easement of use and enjoyment in and to the Common Areas; including, without limitation, a nonexclusive right and easement to use and enjoy the Private Roadways and Walkways shown on the Plat and included within the Common Areas for access, ingress and egress to and from the Lots. Such right and easement shall be appurtenant to and shall pass with title to each Lot and in no event shall be separated therefrom. Such right and easement shall be subject to the following:

- A. The rights of the Association to adopt, rescind, amend and enforce rules and regulations governing the use of the Common Areas, and the personal conduct of their tenants thereon as hereinafter provided.
 - B. The right of the Association to dedicate or transfer all or any part of the Common Areas to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Association. No such dedication or transfer which would have the effect of depriving any Owner of his right to use the Private Roadways shown on the Plat for ingress and egress to and from his Lot shall be effective without the written consent of each Owner so affected.
 - C. The right of Riverdale City and any other governmental or quasi-governmental authority having jurisdiction over the Property to access and have rights of ingress and egress over and across any private roadway, parking area, walkway or open space contained within the Common Areas for purposes of providing police and fire protection or emergency medical services, providing trash collection and removal services, transporting school children, and providing any other municipal or governmental service.
 - D. The rights and easements set forth below in Article 5 of this Amended and Restated Declaration.
 - E. The right of the Association to terminate any Owner's right to receive utility services paid for by assessments, if any, and to terminate the right of access to and use of recreational and service facilities of the Association, if any, until the correction of the violation has occurred, including the failure to timely pay an assessment for a period of sixty (60) days or more.
- 4.2 **Delegation of Use.** Any Owner may delegate, in accordance with this Amended and Restated Declaration, his right and easement of use and enjoyment of the Common Areas to a Guest who resides on the property, subject to the restrictions set forth in this Amended and Restated Declaration and to such rules and regulations as may from time to time be adopted by the Association.
- 4.3 **Use of Recreational Areas and Facilities (Swimming Pool).** Each Owner having the right to use the recreational areas and facilities and each Tenant or Guest person to whom such use has been permitted shall comply with the Rules and Regulations regarding such use, as such Rules and Regulations may be established and amended from time to time by the Board. Such rights of use may be suspended upon failure of an Owner to pay assessments, fines, or otherwise comply with the Rules and Regulations.

5. OTHER EASEMENTS

- 5.1 **Utilities and Mailbox Easements.** The Property or any improvement thereon is traversed or partially occupied by a permanent utility line or similar or related improvement (including, but not limited to lines, pipes, wires, conduit and other equipment for culinary or secondary water, sewer, storm water, gas, telephone, electricity, television cable or multiple mailboxes) a perpetual easement for such utility or improvement and for the maintenance, repair and replacement thereof shall exist.
- 5.2 **Easements for Maintenance and Repair.** There is hereby granted to the Association, its

officers, agents and employees a right and easement to have access to all of the Common Areas and Limited Common Areas and to have access to the Lots and Units from time to time during such reasonable hours as may be necessary or appropriate to perform the Association's obligations of maintenance and repair, to maintain any utilities for which an easement has been granted, to prevent damage to the Common Areas or any other Unit or to perform any other function which the Association is obligated or permitted to perform under this Amended and Restated Declaration, Bylaws or Rules and Regulations of the Association. Except in the case of an emergency, any such entry of a Unit shall be made only pursuant to an advance appointment or agreement with the Owner if the Owner is reasonably cooperative in making such an appointment or arrangement, or pursuant to not less than twenty-four (24) hours advance written notice if such an appointment or arrangement cannot reasonable be made, and shall be made with as little inconvenience to the Owner as reasonably practicable. Any damage caused thereby shall be repaired by the Association and at the expense of the Association. (Reference 8.1a)

- 5.3 **Easements for Emergencies** The Board and its duly authorized agents shall have the right to enter any and all units as might be required for the purpose of performing emergency repairs to the mechanical or electrical devices or plumbing when such repairs are necessary to prevent damage or threatened damage to other Units in Sherwood Park. The Owner or Tenant will be contacted prior to entry when possible

6. OPERATION AND MAINTENANCE

- 6.1 **Operation and Maintenance of Common Areas by Association.** Subject to the rights and duties of the Owners as set forth in this Amended and Restated Declaration, and subject to assessment hereunder, the Association shall provide and be responsible for the management, control, operation, care, maintenance, repair, replacement and upkeep of the Common Areas, and shall keep the same in good, clean, attractive, safe and sanitary condition. The Association shall also provide and be responsible for snow removal from all Common Area roadways, walkways and driveways. The Board may contract for these services from a licensed, bonded, insured (including workmen's compensation) **contractor**.
- 6.2 **Exterior Maintenance of Lots and Units by Association.** Subject to the rights and duties of the Owners as set forth in this Amended and Restated Declaration, the Association will repair, replace, common areas and the exterior of the units not including basements and foundations. The owner will repair, replace and maintain the limited common areas and the units. In general, the Association's responsibilities (and exceptions) **include the following:**
- (a) Care and maintenance of the exterior surfaces and roofs of the Units (exterior surfaces do not include a Unit's sheetrock, interior walls, or basement concrete foundations);
 - (b) Care and maintenance for trees, shrubs, grass, walks, and other landscaping features located outside of a Unit/Lot's enclosed, interior or fenced yard, patio or courtyard area (For purposes of this Section 6.2 (b), any courtyard or patio area which is surrounded by a fence or otherwise enclosed shall be deemed to be inside the extremities of the Unit, and the Association shall not have any responsibility for maintenance of landscaping features located within any such enclosed patio or

courtyard area);

(c) Care and maintenance of carport support posts and roofs;

In the event that the need for maintenance or repair is caused through the willful or negligent act of the Owner or Tenant, the Owner shall be obligated to immediately reimburse the Association for the cost thereof. The Owner's obligation to reimburse the Association for the cost of such maintenance or repairs shall be secured by a lien against the Owner's Lot/Unit in the same manner as provided in Section 9.9 below with respect to Annual and Special Assessments.

- 6.3 **Owner Maintenance of Units and Exterior of Lots.** Subject to and in accordance with Exhibit B-1 of the Rules and Regulations, each Owner shall keep the Unit(s) and Lot(s) owned by him, and all improvements therein or thereon, including the Unit's basement walls, floors and foundations, in good order and repair and free of debris so as not to detract from the appearance of the Property or to affect adversely the value or use of any other Lot or Unit. For this purpose, each Owner has the right to hire whomever to repair, replace, care and maintain their Lot/Unit subject to state, county, and municipal property laws; however, any problems with said hiring and construction or repair work is the Owner's personal and financial responsibility.
- 6.4 **Trash Collection and Other Public Services.** During any period of time when the Association or the Lots shall be ineligible, by reason of the private nature of the roadways included in the Common Areas or for any other reason, to receive trash collection, street lighting, or other municipal or public services from Riverdale City or such other governmental authority as may then be responsible for providing such public services in the area of the Association, the Association shall provide trash collection, street lighting and other public services upon the Property and to the Lots and the Owners thereof as the Board may deem to be necessary or appropriate.
- 6.5 **Rules and Regulations.** The Association shall have the power and the authority to promulgate, rescind, amend and enforce reasonable Rules and Regulations governing the use of the Common Areas; provided, however, that such Rules and Regulations shall be consistent with the rights and obligations established by this Amended and Restated Declaration. The Association shall furnish to each Owner copies of all such Rules and Regulations promulgated by the Association, and copies of all amendments thereto and rescissions thereof.
- 6.6 **Manager.** The Association may by written contract delegate in whole or in part to a professional Manager such of the Association's duties, responsibilities, functions, and powers hereunder as are properly delegable. The termination provision of any such contract must not require a termination penalty or any advance notice of more than thirty (30) days, no such contract shall be for a term greater than one (1) year, with renewable options solely at the option of Sherwood Park.

7. ASSOCIATION'S INSURANCE AND TAXES

In compliance with **Utah Code Annotated § 57-8a-401 *et seq.***, as may be amended from time to time, the Association shall obtain and keep in full force and effect at all times the following types of insurance coverage, provided by companies licensed to do business in the State of Utah:

7.1 **Types of Insurance Maintained by the Association.** The Association shall obtain the following types of insurance:

- (a) A public general liability insurance policy covering the Association, its members, officers, Board members and managing agents, having at least a One Million Dollar (\$1,000,000.00) limit per total claims that arise from the same occurrence or in an amount not less than the minimum amount required by applicable law, ordinance or regulation. Coverage under this policy shall include, without limitation, legal liability of the insured's for property damage, bodily injuries and deaths of persons in connection with the operation, maintenance or use of the common elements, and legal liability arising out of lawsuits related to employment contracts of the Association;
- (b) Workers' compensation insurance, if and to the extent required by law;
- (c) Fidelity bond or bonds covering all Board members, officers, employees and other persons handling or responsible for the funds of, or administered by, the Association, in such amounts as the Board of Directors deems appropriate, but no less than a sum equal to three months aggregate assessments on all units plus reserve funds. Where the Managing Agent has the responsibility for handling or administering funds of the Association, the Managing Agent shall maintain fidelity bond coverage for its officers, employees, and agents handling or responsible for funds of, or administered on behalf of, the Association. Such fidelity bonds shall name the Association as an obligee and shall not be less than the estimated maximum of funds, including reserve funds, in the custody of the Association or Managing Agent, as the case may be, at any given time during the term of each bond. The bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees", or similar terms or expressions. The premiums on all bonds required herein, except those that may be maintained by a manager, shall be paid by the Association as a common expense. The bonds shall provide that they may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least 10 days' prior written notice to the Association or insurance trustee;
- (d) Blanket property insurance with not less than 100% of the full replacement cost for the physical structure of all attached dwellings, Limited Common Areas appurtenant to a Unit on a Lot, and Common Areas in the project, insuring against all risks of direct physical loss commonly insured against, including coverage for any fixture, improvement, or betterment installed by a Lot Owner to an attached Living Unit or to a Limited Common Area appurtenant to a Unit on a Lot, including a floor covering, cabinet, light fixture, electrical fixture, heating or plumbing fixture, paint, wall covering, window, and any other item

permanently part of or affixed to an attached Unit or to a Limited Common Area.

- 7.2 **Acceptable Insurance Providers.** The Association shall use generally acceptable insurance carriers.
- 7.3 **Lot Owner Insurance Responsibility.** For Units, the Association's policy is primary but the Unit Owner is responsible for the deductible as follows:

7.3.1. If a loss occurs that is covered by the Association's policy and by a Lot Owner's policy, the Association's policy provides primary insurance coverage and the Lot Owner's policy applies to that portion of the loss attributable to the policy deductible of the Association.

7.3.2. If a Lot, or Limited Common Area or facility appurtenant to a Lot, suffers damage as part of a covered loss, the Lot Owner is responsible for an amount calculated by applying the percentage of total damage resulting in a covered loss that is attributable to Unit damage for that Unit to the amount of the deductible under the Association's policy. The amount of the deductible under the Association's policy shall be determined by the Board from time to time in an amount that is reasonable. The Association shall provide notice to the Lot Owners of any change in the amount of the deductible.

7.3.3. The Association's policy does not cover the contents of a Lot or Unit or a Lot Owner's personal property. Each Owner is responsible for and shall obtain insurance, at his own expense, providing coverage upon personal property located on his own Lot and/or in his Unit, and for general liability coverage, including without limitation, coverage for personal injury, property damage and such other risks as each Owner may deem appropriate. The Association shall have an obligation and responsibility to carry insurance on the Lots, or any improvements located on the Lots.

- 7.4 **Fidelity Insurance or Bond & Directors and Officers Insurance.** Fidelity insurance or a bond in such amounts and in such forms as the Association deems appropriate to cover against dishonesty or employees or the Manager, destruction or disappearance of money or securities, and forgery, and adequate director's and officer's liability insurance (aka Errors and Omissions insurance).

- 7.5 **Form of Insurance.** Insurance coverage on the Association, insofar as possible, shall be in the following form:

- A. **Casualty and Hazard Insurance.** Casualty and hazard insurance in a form or forms naming the Association as the insured, as trustee for the Owners, and which policy or policies shall specify the interest of each Owner (Owner's name and Lot number), and shall contain a standard, noncontributory mortgagee clause in favor of each Mortgagee which from time to time shall give notice to the Association of its Mortgage. The Association shall furnish to each Owner, and to each Mortgagee requesting in writing the same, a certificate of coverage, including an identification of the Owner's interest.

B. **Public Liability and Property Damage Insurance.** Public liability and property damage insurance which names the Association as the insured, as trustee for each Owner, for the Manager, if any, and which protects each Owner, the Manager, if any, against liability for acts or omissions of any of them in connection with the ownership, operation, maintenance, or other use of the Association.

7.6 **Additional Coverage.** The provisions of this Amended and Restated Declaration shall not be construed to limit the power or authority of the Association to obtain and maintain insurance coverage in addition to any insurance coverage required by this Amended and Restated Declaration in such amounts and in such forms as the Association may from time to time deem appropriate.

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7.7 **Power of Attorney.**

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

(b) By purchasing a Lot, all Owners appoint the Association or any trustee designated by the Association as attorney-in-fact for the purpose of representing the Owners in condemnation proceedings or negotiations, settlements, and agreements with the condemning authority for acquisition of the Common Areas, or part thereof, by the condemning authority.

7.8 **Review of Insurance.** The Association shall review annually the coverage and policy limits of all insurance on the Association and shall adjust the same at its discretion. Such annual review may include an appraisal of the improvements in the Association by a representative of the insurance carrier or carriers providing the policy or policies on the Association, or such other qualified appraisers as the Association may select.

7.9 **Taxes and Assessments on Common Areas.** The Association shall pay all taxes, assessments, charges, and impositions of every kind and nature which are lawfully assessed or imposed by any governmental or public authority with respect to the Common Areas.

8. STATUS AND AUTHORITY OF THE ASSOCIATION

8.1 **Authority and Power.** The Association's Board of Directors shall, in connection with its exercise of any of the powers delineated below, constitute a legal entity capable of dealing in its name. The Board shall have, and is hereby granted, the following authority and powers:

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- A. **To Enter.** The Power and authority to enter into or upon any Lot to make repairs and to do other work reasonably necessary for the proper maintenance and operation of the Association. Except in the case of an emergency, reasonable notice shall be given to the residents.
- B. **Grant Easements.** The authority, without the vote or consent of the Owners, Mortgagees, insurers or guarantors of any Mortgage, or of any other person, to grant or create, on such terms as it deems advisable, reasonable permits, licenses, and non-exclusive easements over, under, across, and through the Common Areas for utilities, roads, and other purposes reason Association.
- C. **Execute Documents.** The authority to execute and record, on behalf of all Owners, any amendment to the Amended and Restated Declaration or Plat Map which has been approved by the vote or consent necessary to authorize such amendment.
- D. **Standing.** The power to sue and be sued.
- E. **Enter Into Contracts.** The authority to enter into contracts which in any way concern the Association, so long as any vote or consent necessitated by the subject matter of the agreement has been obtained.
- F. **Transfer Interests in Real Property.** The power and authority to exchange, convey or transfer any interest in real property, so long as it has been approved by a majority vote of the Association.
- G. **To Purchase.** The power and authority to purchase, otherwise acquire, and accept title to, any interest in real property, so long as it has been approved by a majority vote of the Association members.
- H. **Promulgate Rules.** The authority to promulgate such reasonable administrative guidelines, rules, regulations, and procedures as may be necessary or desirable to aid the committee in carrying out any of its functions or to insure that the Association is maintained and used in a manner consistent with this Amended and Restated Declaration, including the right to make reasonable rules and regulations governing the use of the Lots and of the Common Areas which rules and regulations shall be consistent with the rights and duties established in this Amended and Restated Declaration and those permitted in Utah Code Annotated § 57-8-1 et seq as amended and § 57-8a-1 et seq as amended. The Board may promulgate rules and regulations to effect and enforce compliance with the Association's Amended and Restated Declaration, Bylaws or Rules, and to obtain damages for noncompliance

therewith, as provided in Utah Code Annotated § 57-8-44 et seq, as amended and § 57-8a-301 et seq, as amended. In the event of any enforcement action taken, the Association shall be entitled to recover its costs, including reasonable attorney fees as provided in Utah Code Annotated §57-8-49 and §57-8a-306, and as amended, from the offending party to the action.

- I. **Meetings.** The authority to establish procedures for the conduct of its meetings, including but not limited to the power to decide what portion of the meeting shall be open or closed to Members of the Association or residents not on the Committee, to retire to executive session, to regulate record keeping, and to allow, control or prohibit the electronic reproduction (video or audio) of Committee meetings.
- J. **Borrow Money.** The power and authority to borrow money and pledge assets of the Association up to \$25,000, so long as it has been approved by at least fifty-one percent (51%) of the Owners. Any amount over \$25,000 must be approved by at least sixty-seven percent (67%) of the Owners.
- K. **All Other Acts.** The power and authority to perform any and all other acts, and to enter into any other transactions which may be reasonably necessary for the Board to perform its functions on behalf of the Owners.

8.2 **Delegation of Management Responsibilities.** The Board may delegate some of its management responsibilities to a professional management company.

8.3 **Liability of Management Committee.** The Association shall indemnify every Officer, Board Member and/or Trustee against any and all expenses, including but not limited to attorney fees reasonably incurred by or imposed upon any officer in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board) to which he or she may be a party by reason of being or having been an Officer, or Board Member or Trustee. The Officers, Board Members and/or Trustees shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct or bad faith. The Officers, Board Members and/or Trustee shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such Officers, Board Members and/or Trustees may also be Members of the Association), and the Association shall indemnify and forever hold each such Officer, Board Member and/or Trustee free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall be exclusive of any other rights to which any Officer, Board Member and/or Trustees, or former Officer, Board Member and/or Trustees may be entitled. The Association shall, as a common expense, maintain adequate general liability, Officer, Board Member and Trustee's insurance coverage to fund this obligation, if such insurance is reasonably available.

9. ASSESSMENTS

- 9.1 **Covenant to Pay Assessments.** The Owner of each Lot agrees with each other and with the Association to pay to the Association all annual and special assessments, such assessments to be fixed, established, levied and collected from time to time as hereinafter provided. These assessments include annual (common), special and individual assessments, and reserve study assessment. No Owner may exempt himself or his Lot from liability from payment of the assessments provided for herein or diminish the amount of such liability by waiver or non-use of his rights concerning the Common Areas or of services and amenities provided by the Association or by abandonment of his Lot.
- 9.2 **Rate of Assessments.** Annual, special assessments and reserve study assessments shall be fixed at a uniform rate for all Lots.
- 9.3 **Purpose of Assessments.** The annual and special assessments levied by the Association hereunder shall be used exclusively to promote the health, safety and welfare of the residents of Sherwood Park, to operate, maintain and improve the Common Areas, to provide snow removal and other exterior maintenance of the Lots as herein provided, and to perform any other functions which the Association is obligated or permitted to perform under this Amended and Restated Declaration. Without limiting the generality of the foregoing provisions of this Section 9.3, the uses made by the Association of assessments collected hereunder may include, among other things, payment of the costs of the following: Expenses of management, including fees for a Manager, if any; taxes and special assessments; all insurance that the Association is required or permitted to maintain hereunder; wages and related expenses for the services of such personnel as the Association may determine to be necessary or desirable for the proper performance of its functions hereunder whether such personnel are furnished or employed directly by the Association or by any person or entity with whom it contracts; legal and accounting services necessary or desirable in connection with the operation of the Real Property or the enforcement of this Amended and Restated Declaration; water, sewer, electricity, garbage collection, street lighting, snow removal and other necessary or desirable utilities or public services for the Common Areas, grounds or for the common use and benefit of the Owners as herein provided (see section 9.6 Reserve Study).
- 9.4 **Maximum Annual Assessment.** The annual assessment may be increased at the same rate as the cost of non-controllable expenses are increased.
- 9.5 **Special Assessments for Capital Improvements.** In addition to the annual assessments, the Association may levy in any assessment year, a special assessment up to \$500 per unit applicable to that year and approved by at least fifty-one percent (51%) of the voters. A special assessment over \$500 must be approved by at least sixty-seven percent (67%) of the votes of Members, voting in person or in writing, as described in Section 3.4, at a meeting duly called for this purpose. Special assessments may be levied to defray, in whole or in part, the cost of any construction, reconstruction, repair or replacement of common or limited common area structures, fixtures and personal property related thereto.

9.6 Reserve Study (required by law) The purpose of the Reserve Study is to give the Board overseeing the maintenance of the property a better idea of what major expenses to expect and an educated estimate of when these expenses will occur. The Board will create a budget so association members will make their fair share of Reserve contribution, designed to offset the slow but steady ongoing Reserve Component deterioration of the association. The Reserve Study provides important annual disclosures to association members about the condition of common area components, and the level of preparedness (strength) Of the Reserve Fund.

A Reserve Study will be completed every six years and review of the study updated every three years. A review of the Reserve Study will be presented each year at the annual meeting and the amount determined to be added to the fund for the year will be voted on. The funding for the Reserve Study will be kept in a separate account. These funds are not included in the regular monthly fee but must be paid each month with the monthly fee. The Fund is to be used for expenses not included in the normal yearly budget (roofs, painting, roads, etc.) and must be replaced plus increased yearly. Approval of the amount to be funded shall be consistent with Utah law.

9.7 Interest and Late Fees. All unpaid portions of any annual or special assessment shall bear interest at the rate of one percent (1%) per month from the date such portions become due until paid. Each monthly payment or assessment is due by the 1st of the month and shall incur a late fee after the 15th of the month, of not more than \$20.00 if not paid when due. An additional \$20.00 late fee shall be assessed for each and every thirty (30) day period the fine remains unpaid. EH 2963373 PG 18 OF 42

9.8 Lien for Assessments. All sums assessed to or levied against any Lot by the Association pursuant to the provisions of this Article 9, together with interest thereon, attorney fees and costs of collection hereof as herein provided, shall be secured by a lien on such Lot in favor of the Association. To further evidence such liens for sums assessed pursuant to this Article 9, the Association may (but shall not be obligated to) prepare a written notice of lien setting forth the amount of the assessment, a description of the Lot, and the name of the owner of record thereof. Such notice shall be recorded in the office of the County Recorder for Weber County, State of Utah. No such notice of lien shall be recorded until there is a delinquency in payment of the assessment. Such lien shall exist solely by reason of this Amended and Restated Declaration, and the preparation and recording of any such notice of lien shall not be required in order to create or perfect such lien, but shall be solely at the discretion and for the convenience and better protection of the Association.

9.9 Foreclosure for Non-Payment. The Board may, in the name of the Association, (a) bring an action at law against the Owner personally obligated to pay any such delinquent assessment without waiving the lien of assessment, or (b) may foreclose the lien against the property in accordance with the laws of the State of Utah applicable to the exercise of powers of sale in deeds of trust or to the foreclosure of mortgages, or in any other manner permitted by law, and/or (c) may restrict, limit, or totally terminate any or all services performed by the Association in behalf of the delinquent Member. If the Association elects to foreclose the lien in the same manner as foreclosures in deeds of trust, then the Owner by accepting a deed to the Unit hereby irrevocably appoints the attorney of the Association, provided he/she is a member of the Utah State Bar, as Trustee, and hereby confers upon said

Trustee the power of sale set forth with particularity in Utah Code Annotated, Section 57-1-23 (1953), as amended. In addition, Owner hereby transfers in trust to said Trustee all of his right, title, and interest in and to the real property for the purpose of securing his performance of the obligations set forth herein. In any foreclosure, the Owner of the Lot involved shall be required to pay all costs and expenses incurred by the Association in such proceeding, including court costs and reasonable attorney fees, and such costs and expenses shall be secured by the lien being foreclosed.

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- 9.10 **Personal Obligation of Owner.** The amount of each annual assessment and each special assessment against any Lot shall be the personal obligation of the owner of such Lot to the Association. The Association may maintain a suit to recover a money judgment for such personal obligations without foreclosing or waiving the lien securing the same. In the event of any suit to recover a money judgment for unpaid assessments hereunder, the involved Owner shall pay all cost and expenses incurred by the Association in connection therewith, including court costs and reasonable attorney fee.
- 9.11 **Statement of Account.** Upon written request of any Owner or any Mortgagee, prospective Mortgagee, or prospective purchaser of a Lot, the Association shall issue a written statement setting forth any unpaid amounts of prior annual and special assessments against such Lot, the amount of the current annual assessment against such Lot and the due date or due dates thereof, the amount of any obligations for reimbursement of the Association owing by the Owner of such Lot, and any credits or pre-paid items with respect to such Lot. Such statement shall be conclusive upon the Association in favor of persons who rely thereon in good faith.
- 9.12 **Liability of Purchaser.** A purchaser of a Lot shall be jointly and severally liable with the seller thereof for all unpaid assessments against such Lot up to the time of the grant or conveyance; provided, however, that the provisions of this Section shall not prejudice such purchaser's right to recover from such seller the amount paid by the purchaser for such assessments.

10. ARCHITECTURAL CONTROL

- 10.1 **Architectural Control Committee.** The Board of the Association **may** appoint a three-member Architectural Control Committee the function of which shall be to insure that all improvements and landscaping within the Property harmonize with existing surroundings and structures. The Architectural Control Committee shall be composed of Owners. If such a Committee is not appointed, the Board shall perform the duties required of the Architectural Control Committee.
- 10.2 **Submission to Committee.** No Unit, accessory or addition to a Unit which is visible from the Common Areas, or other improvement of a Lot which is visible from the Common Areas shall be constructed or maintained, and no alteration, repainting, or refurbishing of the exterior of any Unit shall be performed, unless complete plans and specifications therefore have first been submitted to and approved by the Architectural Control Committee. This request must be submitted prior to the second Tuesday of each month, must be in writing and in sufficient detail to permit objective evaluation by the ACC. Plans not submitted to

the Board beforehand will be subject to fines according to Exhibit 1B until plans are submitted.

- 10.3 **Standard.** The Architectural Control Committee shall use its best judgment to insure that all improvements, construction, landscaping, and alterations on Lots within the Property conform to and harmonize with existing surroundings and structures.
- 10.4 **Approval Procedure.** Any plans and specifications submitted to the Architectural Control Committee **must be in compliance with the Amended and Restated Declaration, Bylaws and Rules and Regulations of the Association** and shall be approved or disapproved by it in writing within thirty (30) days after submission. In the event the Architectural Control Committee fails to take any action within such period **and/or any extension** of such period, it shall be deemed to have approved the material submitted.
- 10.5 **Construction.** Once begun, any improvements, construction, landscaping, or alterations approved by the Architectural Control Committee shall be diligently prosecuted to completion. If reasonably necessary to enable such improvement, construction, landscaping, or alteration, the person or persons carrying out the same shall be entitled to temporarily use and occupy unimproved portions of the Common Areas and of the Lots in the vicinity of the activity. If construction is not completed within six (6) weeks fines will be assessed according to Exhibit 1B.
- 10.6 **No Liability for Damages.** The Architectural Control Committee shall not be held liable for damages by reason of any action, inaction, approval, or disapproval by it with respect to any request made pursuant to this Article 10.
- 10.7 **Exception for the Board of the Association.** The foregoing provisions of this Article 10 shall not apply to any exterior maintenance, repair or replacement of the Lots which is accomplished by the Board of the Association.

11. USE RESTRICTIONS

- 11.1 **Residential Uses Only.** Each Unit in Sherwood Park is to be occupied for residential housing purposes by a single housekeeping unit and is restricted to such use. **No Unit shall be used for business or commercial activity, except for a home occupied business in conformance with Section 17;** provided, however, that nothing contained herein shall be deemed to prevent any Owner from leasing his Lot and Unit, subject to all of the provisions of this Amended and Restated Declaration. (Refer to Section 15, Lease Restrictions.)
- 11.2 **Use of Units and Common Areas.** No Owner shall violate the Rules and Regulations for the use of the Units and of the Common Areas as adopted and amended from time to time by the Board. Nothing shall be done or kept in any of the Units or in the Common Areas or any part thereof, which may result in the cancellation or increase the rate of the insurance on Sherwood Park.
- 11.3 **Animal Restriction.** A pet shall be any animal (no livestock, reptiles or poultry of any kind) (not exceeding 45 pounds, provided that they are not kept, bred or maintained for

commercial purposes. No owner or Tenant shall keep more than two (2) pets at any time. All authorized pets must be licensed and vaccinated for rabies or any other disease required by Riverdale City, Weber County, or the State of Utah.

- 11.4 **Traffic, Vehicles and Parking.** The close proximity of the Association Units to one another, plus the narrow entry and exit roads throughout the area makes it absolutely necessary that traffic and parking rules are followed to promulgate the safety of owners and tenants along with assess to all Units in case of fire, snow removal, ambulance as or other emergencies. Parking is allowed in designated areas only and must not block other residents' garaged, carports or fire lanes.

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- a. No recreational vehicles (boats, campers, trailers, motor homes, ATV's or similar items shall be parked on any area of the common areas except for temporary parking behind the Owner's Unit for up to a maximum of **24 hours** at a time for the purpose of loading or unloading and may not block street or traffic lanes, as well as fire lanes and the passage of emergency vehicles. Under no conditions may an RV block another Owner's access to their garage or carport without the owner's permission.
 - b. No commercial (company) vehicle over 10,000 pounds may be parked in any common area parking area or behind a garage or carport except of immediate short term loading or unloading of items.
 - c. The speed limit within Sherwood Park is 15 mph.
 - d. No ATV's may be operated within Sherwood Park
 - e. No vehicles may be parked on the streets overnight. The streets and roadways must be kept clear to permit easy access by snow removal vehicles or emergency vehicles. Should an Owner or Tenant fail to comply, a violation notice, fine or towing of the vehicle will occur,
- 11.5 **Trash.** No rubbish, trash, garbage or other waste material shall be kept or permitted upon any Lot or Common Area, except in sanitary containers located in appropriate areas screened and concealed from view, and no odor shall be permitted to arise therefrom so as to render the Property or any portion thereof unusable or unlivable to its occupants.
- 11.6 **Barbeques.** There shall be no exterior fires whatsoever except barbecue grills contained within appropriate receptacles placed a minimum of eighteen (18) inches from any structure or fence. No fire pits are allowed.
- 11.7 **Patios.** No clothing or household fabrics shall be hung, dried or aired in such a way on the Property as to be visible to another property and no lumber, grass, shrub or tree clippings or plant waste, metals, bulk material or scrap or refuse or trash shall be kept, stored or allowed to accumulate on any portion of the Property.
- 11.8 **Temporary Buildings.** No outbuilding, basement, tent, shack, shed or other temporary building or improvements of any kind shall be placed upon any portion of the Property either temporarily or permanently. No garage, trailer, camper, motor home or recreational vehicle shall be used as a residence on the Property, either temporarily or permanently.

- 11.9 **Nuisances.** No noxious or offensive activity (including but not limited to the repair of motor vehicles) shall be carried on, in or upon any Lot or Common Area nor shall anything be done therein which may be or become an unreasonable annoyance or a nuisance to any other Owner. No loud noises or noxious odors shall be permitted on the Property and the Association shall have the right to determine, in accordance with the Bylaws, if any noise, odor or activity producing such noise, odor or interference constitutes a nuisance. Without limiting the generality of any of the foregoing provisions, no exterior speakers, horns, whistles, bells or other sound devices (other than security devices used exclusively for security purposes), noisy or smoky vehicles, large power equipment or large power tools, unlicensed off-road motor vehicles or other items which may unreasonably interfere with television or radio reception of any Owner in the Property, or exposed to the view of other Owners without the prior written approval of the Association. Sherwood Park has designated 10:00 PM to 7:00 AM as quiet time. There shall be no loud noises, music, etc. during this time.

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- 11.10 **Signs.** No sign, poster, display, billboard or other advertising device of any kind shall be displayed to the public view on any portion of the Property or any Lot, without the prior written consent of the Association. Owners will be allowed to put one "For Sale" sign on their unit and another may be placed at one of the Park entrances advertising the property for sale or lease.
- 11.11 **Planting and Gardening.** No planting or gardening shall be done, and no fence, hedge or wall shall be erected or maintained upon any Lot except as are installed as approved by the Association; provided, however, that each Lot may contain in the fenced portion of the lot a plot maintained by the Owner for the planting of varieties of flowers and garden produce of the Owner's choosing.
- 11.12 **Exterior Apparatus and Antennae.** No radio or short-wave transmission shall occur from any Lot and no exterior radio or television antenna or other antenna or satellite dish may be erected or maintained unless approved by the Architectural Control Committee. Sherwood Park Association is not responsible for the repair of any antennae or satellite dishes.
- 11.13 **Prohibition of Damage and Certain Activities.** No damage to, or waste of, the Common Areas or any part thereof shall be committed by any Owner or any Guest of any Owner, and each Owner shall indemnify and hold the Association and the other Owners harmless against all loss resulting from any such damage or waste of the Common Areas caused by such Owner or Owner's Guests or Tenants.. No Lot or Unit shall be used, occupied or altered in violation of the law, so as to jeopardize or cause a hazard to any person or other property, so as to create a nuisance or interfere with the rights of any Owner, or in any way which would result in cancellation or increase in the cost of any insurance which the Association or any other Owner is required to maintain under this Amended and Restated Declaration.

12. PARTY WALLS.

- 12.1(a) **Party Walls.** Certain of the buildings constructed on Lots have common or party walls with adjacent buildings, Units and Lots. The boundary between two adjacent buildings, Units and Lots shall be the vertical boundary running through the center of the party wall,

equidistant from the plane joining and along the outermost surfaces of studs and structural beams making up the party wall. Each Owner of a Lot that has a Unit adjoining another Unit on a separate Lot is hereby granted an easement of support and shelter over the portion of any party or retaining wall on the adjoining Lot. Each Owner covenants with the other to maintain the party wall in a structurally sound and weather tight state, and to continue to provide the support and shelter that presently exists and as may be necessary to maintain the integrity of each Unit. Each Owner has an easement for access for repair and maintenance over and through the adjoining Lot, and an easement for pipes, ducts utility ways, access stairs, and fences passing through the other Lot. Physical structures including party walls serving two Units or buildings on separate Lots will be shared through a mutual nonexclusive easement of enjoyment for all purposes for which the improvements and their replacements were intended.

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- 12.1(b) Shared Foundation and Basement Concrete Walls.** Certain of the buildings constructed on Lots have common or shared foundation and/or basement concrete walls with adjacent buildings, Units and Lots. The boundary between two adjacent buildings, Units or Lots shall be the vertical boundary running through the center of the foundation and/or basement wall. Each Owner of a Lot that has a building adjoining another building on a separate Lot is hereby granted an easement of support and shelter over the portion of any foundation and/or basement wall on the adjoining Lot. Each Owner covenants with the other to maintain the foundation and/or basement wall in a structurally sound and weather-tight state and to continue to provide the support and shelter that presently exists and as may be necessary to maintain the integrity of each building. Each Owner has an easement for access for repair and maintenance over and through the adjoining Lot. Physical structures including foundation and/or basement walls serving two Units or buildings on separate Lots will be shared through a mutual nonexclusive easement of enjoyment for all purposes for which the improvements and their replacements were intended.
- 12.2 Sharing of Repair and Maintenance.** The cost of reasonable repair and maintenance of a party wall, **foundation and/or basement wall** shall be shared by the Owners who make use of the wall in proportion to such use.
- 12.3 Destruction by Fire or other Casualty.** If a party wall, **foundation and/or basement wall** is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.
- 12.4 Weatherproofing.** Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole costs of furnishing the necessary protection against such elements.
- 12.5 Right to Contribution Runs with Land.** The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

- 12.6 **Arbitration.** In the event of any dispute arising between Owners concerning a party wall, foundation and/or basement wall or under the provisions of this Article, each party shall arbitrate the dispute and choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be by a majority of all the arbitrators.

13. TERMINATION OF SERVICES FOR NON-PAYMENT

- 13.1 **Owner Fails or Refuses to Pay.** If an Owner fails or refuses to pay any assessment when due, the Board may, after giving notice and an opportunity to be heard as provided herein terminate an owner's right to receive services paid as a common expense.

- 13.2 **Termination of Services.** Before terminating services under the preceding section, the Manager or Board shall give written notice to the Owner as follows:

- A. Delivering a copy to the Owner personally; or
- B. Sending a copy through certified or registered mail, addressed to the Owner at his or her Unit's address; or
- C. Doing both of the following: (1) Leaving a copy with a person of suitable age and discretion at the Owners Unit; and (2) Mailing a copy to the Owner at the Owner's Unit, or to the Owner's regular mailing address if the Owner does not reside in the Unit; or
- D. Affixing a copy in a conspicuous place on the Unit if a person of suitable age or discretion could not be found.

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- 13.3 **Written Notice.** The written notice shall state:

- A. services will be terminated if payment of the assessment is not received within at least 14 days;
- B. the amount of the assessment due, including any interest or late payment and an estimated cost for reinstatement of utility service if terminated and
- C. the right to request a hearing.

- 13.4 **Owner's Rights to Notice.** An Owner who is given notice under the preceding section may request an informal hearing to dispute the assessment by submitting a written request to the Board within fourteen (14) days from the date the notice is received. The hearing shall be conducted as follows: within fourteen (14) days of receiving the written request for hearing, the Board shall schedule an informal hearing at which time the requesting Owner will be given an opportunity to present evidence and witnesses supporting the Owner's position. No formal rules of evidence will be required, and the Board can receive the evidence submitted by the requesting Owner and determine the probative value of such evidence. If it chooses and if it would be of benefit to the requesting Owner, the Board may also produce evidence supporting its decision to access the Owner. However, the intent of the hearing is

to listen to the violating Owner's explanations and not to have a trial. The Board may terminate the hearing at any time if any individual present becomes unruly, inconsiderate or rude.

14. COLLECTION OF ASSESSMENTS AND FINES FROM TENANTS

- 14.1 Failure to Pay Assessment.** If an Owner who is leasing out the Unit fails to pay any assessment or fine for a period of more than sixty (60) days after it is due and payable, the Board may demand that the tenant pay to the Association all future lease payments due to the Owner, commencing with the next monthly or other periodic payment, until the amount due to the Association is paid.
- 14.2 Written Notice to Owner.** The Board must give the Owner written notice by regular first class mail, mailed at least three (3) days prior to the end of the month to the address of the Owner as listed on the Weber County Recorders records, unless the Owner has provided written notice of another address to the Board, of its intent to demand full payment from the tenant. This notice shall:
- A. provide notice to the tenant that full payment of remaining lease payments will commence with the next monthly or other periodic payment unless the delinquent assessment or fine is received prior to last day of the month;
 - B. state the amount of the assessment or fine due, including any interest or late payment fee;
 - C. state that any costs of collection, not to exceed \$150, and other assessments or fines that become due may be added to the total amount due; and
 - D. provide the requirements and rights described in Subsection 14.3.
- 14.3 Failure to Pay Assessment.** If the Owner fails to pay the amount of the assessment or fine due by the date specified in the notice, the Board shall deliver written notice to the tenant by posting a notice on the door of the tenant's residence, or delivering notice personally to the tenant, that demands future payments due to the Owner be paid to the Association. A copy of the notice must be mailed to the Owner. The notice provided to the tenant must state:
- A. that due to the Owner's failure to pay the assessment or fine within the time period allowed, the Owner has been notified of the Board's intent to collect all lease payments due to the Association;
 - B. that until notification by the Association that the assessment or fine due, including any interest or late payment fee, has been paid, all future lease payments due to the Owner are to be paid to the Association; and
 - C. payment by the tenant to the Association will not constitute a default under the terms of the lease agreement. If payment is in compliance with this notice, suit or other

action may not be initiated by the Owner against the tenant for failure to pay.

- 14.4 **Funds Paid to the Association.** All funds paid to the Association pursuant to the notice shall be deposited in a separate account and disbursed to the Association until the assessment or fine due, together with any cost of administration which may not exceed \$25, is paid in full. Any remaining balance must be paid to the Owner within five (5) business days of payment in full to the Association.

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- 14.5 **Tenant Notification of Payment.** Within five business days of payment in full of the assessment or fine, including any interest or late payment fee, the Board must notify the tenant in writing that future lease payments are no longer due to the Association. A copy of this notification must be mailed to the Owner.

- 14.6 **Meaning of Lease or Leasing.** As used in this, "lease" or "leasing" means regular, exclusive occupancy of a residence by any person or persons, other than the Owner, for which the Owner receives any consideration or benefit, including a fee, service, gratuity, or emolument.

15. LEASE RESTRICTIONS

The Owners' desire to live in an Association that is orderly, peaceful, well maintained and desirable and that will allow for and protect the comfortable enjoyment of all residents of Sherwood Park and have determined through the years of their collective experience that Owners are more responsive to the needs of the community, take a greater interest and care of the Common Area and are generally more respectful of the Association rules:

THEREFORE to accomplish the Owners' objectives, the following amendment is adopted limiting and restricting the number of Units that may be rented at Sherwood Park:

- 15.1 **Leasing of Units.** The leasing of Units at Sherwood Park is prohibited unless the leasing is consistent with this section.
- 15.2 **Total Number of Units Allowed to be Leased.** Because the main purpose of residence at Sherwood Park is for the Owners to enjoy an enhanced and preserved quality of life in an Owner-occupied single housekeeping unit residence, not more than ten percent (10%) of the Units at Sherwood Park shall be leased to Tenants at any one time.
- 15.3 **No Purchase for Rental.** The purchase of Units for the sole purpose of acquiring rental properties will not be allowed. No Unit may be leased or occupied by a Non-Owner during the first twelve (12) months of ownership by a new Owner of a Unit or eviction and/or a fine of \$1,000.00 (one thousand dollars) per month unit is not occupied by the owner will be imposed.
- 15.4 **Current Tenant Occupancy.** Those Units that are currently occupied by Tenants may continue to be occupied by Tenants until the first of the following events occurs:

- A. The Owner conveys his or her interest in the Unit to a new Owner;

B. The current occupant(s) of the Unit terminate their lease and move from the Unit. In this situation, the Unit must be re-leased within ninety (90) days to remain as a leased unit.

15.5 **Duration of Leases.** In order to maintain and preserve the quality of living and property value of Sherwood Park, all leases shall be at least twelve (12) months in duration. Month-to-month leases will not be permitted. Failure to comply with the criteria established in this section will result in a fine of \$750.00 to the Owner.

15.6 **Notification to Board of Intent to Lease.** Any Owner desiring to lease his or her Unit or to have his or her Unit occupied by a tenant shall notify the Board in writing of their intent to lease their Unit. The Board shall maintain a list of those Owners who have notified it of an intent to lease their Unit and shall grant permission to Owners to lease their Unit in the same order the Board receives the written notice of intent to lease a Unit from the Owners. No permission shall be granted to lease a Unit until less than ten percent (10%) of the Units at Sherwood Park are occupied by a Non- Owner. EH 2963373 PG 27 OF 42

15.7 **Limit of Restrictions.** The restrictions herein shall not apply if a Owner moves from his Unit (a) due to temporary (less than three years) military, humanitarian, religious or charitable activity or service, and (b) leases his or her Unit with the intent to return to occupy his or her Unit when the military, humanitarian, religious or charitable service has concluded. Nor shall the restrictions herein apply if a parent or child leases their Unit to a family member (parent, child or siblings) or to an estate planning trust created for the estate of the current Owner or the Owner's Parent, child or sibling. Any further restrictions shall not apply if not permitted by Utah Code Annotated § 57-8a-209, as amended.

15.8 **Violation of Lease Rules.** Any Owner who violates this section shall be subject to a fine of \$25.00 per day according the provisions set forth in the Sherwood Park Rules and Regulations, and/or to a complaint for an injunction seeking to terminate the lease in violation of this section. If the Board is required to retain legal counsel to enforce this section, with or without the filing of legal process, the violating Owner shall be liable for all attorney fees and court costs incurred by the Board in enforcing this section.

15.9 **Owner Obligations.** Regardless if a Unit is leased or unoccupied by the Owner, the Owner is responsible for rendering payment of the monthly maintenance fee and of any other assessment. The tenant leasing the unit are Tenants of the Owner leasing the unit. Owners must obtain a written and signed agreement from their tenants that they will abide by the Covenants, Rules and Regulations of Sherwood Park as well as the ordinances of Riverdale City.

16. FINES

16.1 Fines may be assessed against those who violate the provisions of this Amended and Restated Declaration, Bylaws, or Rules, according to provisions set forth in Exhibit "B" to the Rules and Regulations. The provisions of Exhibit "B" may be amended by the Board without amending this Amended and Restated Declaration and shall be effective upon giving notice to Owners.

17. NO BUSINESSES

- 17.1 Inasmuch as Sherwood Park is a residential community where neighbors live in close proximity to each other, no business of any kind whatsoever shall be established, conducted, permitted, operated, or maintained at Sherwood Park except they meet all of the federal, state and municipal laws, ordinances and licensing requirements, as well as complying with the Sherwood Park Amended and Restated Declaration, Bylaws, Rules and Regulations. Some home occupation business may be allowed under the following general requirements:
- A. Customers, patrons, Tenants, Owners, clients or individuals may come to a home occupied business located in a Unit for business activity on a very limited scale and no more than one person at a time, **and only between the hours of 8:00 AM and 8:00 PM;**
 - B. No bulk products may be stored or delivered from the Unit without prior written permission from the Board.
 - C. Only services that are done mostly on the telephone and computer, such as consulting, tax preparation, computer or internet businesses, may be provided at the residence as limited by city ordinance;
 - D. Any vehicles used in the business must comply with the Association parking rules.

18. MORTGAGE PROTECTION

- 18.1 **Notice of Owners' Default.** From and after the time a Mortgagee makes written request to the Association therefore, the Association shall notify such Mortgagee in writing in the event that the Owner of the Lot encumbered by the Mortgage held by such Mortgagee neglects for a period of thirty (30) or more days to cure any failure on his part to perform any of his obligations under this Amended and Restated Declaration.
- 18.2 **Subordination of Assessment Liens to Mortgages.** The lien on a Lot for unpaid assessments or for the obligations owing by the Owner shall be subordinate to the first Mortgage or deed of trust affecting such Lot, and the Mortgagee thereunder which comes into possession of the Lot shall take the same free of such lien for unpaid assessments, but only to the extent of assessments which accrue prior to foreclosure of the Mortgage, exercise of a power of sale available thereunder, or deed or assignment in lieu of foreclosure.
- 18.3 **Actions Prohibited Without Consent of Mortgagees.** Unless at least sixty seven percent (67%) of the Mortgagee (based upon one vote for each Mortgage) of the individual Lots have given their prior written approval, neither the Association nor any other party shall be entitled, by act, omission, or otherwise:
- A. To alter the provisions pertaining to uniform rate of assessments;
 - B. To abandon, partition, subdivide, encumber, sell, dedicate, or transfer all or any part of the Common Areas;

- C. To seek to abandon or materially alter the arrangement which is established by this Amended and Restated Declaration;
 - D. To change, waive, abandon, or cease enforcement of the arrangements created under this Amended and Restated Declaration concerning architectural control, or maintenance of the exteriors of the Common Areas;
 - E. To fail to maintain any insurance coverage required herein;
 - F. To use proceeds of such insurance for purposes other than the repair, replacement, or reconstruction of improvements comprising a part of the Common Areas; or
- 18.4 **Right of Mortgagees to Examine Association Records.** Association records may be examined by any Mortgagee upon a written request to the Board of Directors. **The Association may charge copy costs and for any other reasonable expense incurred as a result of the request.**

19. GENERAL PROVISIONS

- 19.1 **Interpretation.** The provisions of this Amended and Restated Declaration shall be liberally construed to effectuate the purpose of creating a uniform plan for the development and operation of the operation of the Property. Whenever used herein, unless the context shall otherwise require, the singular shall include the plural, the plural shall include the singular, the whole shall include any part thereof, and any gender shall include all other genders. The Article and Section headings set forth herein are for convenience and reference only and are not intended to describe, interpret, define, limit, or otherwise affect the content, meaning, or intent of this Amended and Restated Declaration or any Article, Section, or provision hereof. The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion hereof shall not affect the validity or enforceability of any other provision hereof. Failure to enforce any provision, covenant, condition or restriction of this Amended and Restated Declaration shall not operate as a waiver of any such provision, covenant, condition, or restriction or any other provision, covenant, condition, or restriction.
- 19.2 **Compliance and Enforcement.** Each Owner and other occupant of the Property shall comply strictly with the provisions, covenants, conditions, and restrictions of this Amended and Restated Declaration, all rules and regulations promulgated hereunder by the Association, and all decisions and resolution of the Association adopted pursuant to the foregoing, as the same may be amended, modified, revised, or adopted from time to time. Failure on the part of any Owner or other occupant of the Property to comply with any of the foregoing shall be grounds for an action to recover damages or for injunctive relief or both, maintainable by the Association or as represented in Amended and Restated Rules and Regulations Division of Responsibilities by an aggrieved Owner. In the event of any action by the Association to enforce the provisions, covenants, conditions, or restriction of this Amended and Restated Declaration or rules and regulations promulgated hereunder, whether by formal legal proceedings or otherwise, the Association shall be entitled to recover from

the offending Owner all costs and expenses incurred by the Association in connection therewith, including court costs and reasonable attorney fees. The obligations, provisions, covenants, conditions and restrictions contained in this Amended and Restated Declaration shall be enforceable by the Association or any Owner through a proceeding for a prohibitive or mandatory injunction. The rights and remedies herein provided shall be in addition to all other rights and remedies of this Amended and Restated Declaration, rules and regulations promulgated by the Association, and decisions and resolutions of the Association adopted pursuant thereto

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- 19.3 **Obligation of Owners.** All obligations of an Owner under and by virtue of the provisions contained in this Amended and Restated Declaration shall continue, notwithstanding that any owner may be leasing, or selling their Unit under an executory contract. The Owner of a Lot shall have no obligation for assessments hereunder or other obligations hereunder (except interest and costs of collection with respect to prior obligations) accruing after he conveys such Lot.
- 19.4 **Amendment.** Except as otherwise provided herein, this Amended and Restated Declaration may be amended only by an instrument duly executed and acknowledged by the Board in behalf of the Association certifying that the Owners holding at least sixty-seven percent (67%) of the votes of the Association have voted in favor the amending this Amended and Restated Declaration. No amendment is effective until recorded at the Weber Country Records Office.
- 19.5 **Covenants to Run with Land.** This Amended and Restated Declaration and all the provisions hereof shall constitute covenants to run with the land or equitable servitudes, as the case may be, and shall be binding upon and shall inure to the benefit of all parties who hereafter acquire any interest in a Lot or in the Common Areas, and their respective grantees, transferees, heirs, devisees, personal representatives, successors, and assigns. Each Owner or occupant of a Lot or Unit shall comply with, and all interests in all Lots or in the Common Areas shall be subject to, the terms of this Amended and Restated Declaration and the provisions of any rules, regulations, agreements, instruments, and determination contemplated by this Amended and Restated Declaration. By acquiring any interest in a Lot or in the Common Areas, the party acquiring such interest consents to, and agrees to be bound by, each and every provision of this Amended and Restated Declaration.
- 19.6 **Fireworks.** No aerial fireworks are allowed in Sherwood Park. No fireworks should be used on the roads between buildings due to the closeness of the buildings. Fireworks may be used 3 days before and 3 days after the designated holiday (Utah Law) unless prohibited by local ordinances.
- 19.7 **Skateboarding, Etc.** Skateboarding and rollerblading are not allowed in any area of Sherwood Park.
- 19.8 **Effective Date.** This Amended and Restated Declaration and any amendment hereof shall take effect upon recording in the office of the County Recorder of Weber County, State of Utah.

CERTIFICATION

IN WITNESS WHEREOF, the undersigned hereby certifies that this Amended and Restated Declaration has been voted upon and approved by 67% of the Owners in accordance with the requirements of the Sherwood Park Prior CC&R's.

SHERWOOD PARK OWNERS ASSOCIATION

By Charles J. Exposito
PRESIDENT

STATE OF UTAH)
 :
COUNTY OF WEBER) ss.

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On the 27 day of Sept, 2013, the undersigned hereby acknowledges and affirms to the below named notary public that (1) he appeared before such notary public, holds the position or title set forth above, and, on behalf of the above named Association by proper authority, either executed the foregoing document before such notary public or acknowledged to such notary public that the undersigned executed the foregoing document, and that (2) the foregoing document was the act of such Association for the purpose stated in it.



[Signature]
NOTARY

EXHIBIT "A"

Legal Description

ALL OF LOTS 1 THROUGH 10; AND LOTS 16 THROUGH 40, AMENDED PLAT OF
SHERWOOD PARK SUBDIVISION, PHASE 1, RIVERDALE CITY, WEBER COUNTY, UTAH.
(TAX ID # 05-152-0001 THROUGH 0010; AND #05-152-0016 THROUGH 0040)

ALL OF LOTS 41 THROUGH 48 , SHERWOOD PARK SUBDIVISION A P.U.D. PHASE 2,
RIVERDALE CITY, WEBER COUNTY, UTAH.
(TAX ID # 05-153-0001 THROUGH 0008)

ALL OF LOTS 49 THROUGH 55, AND LOT 57 , SHERWOOD PARK SUBDIVISION A P.U.D.
PHASE 2, RIVERDALE CITY, WEBER COUNTY, UTAH.
(TAX ID # 05-154-0001 THROUGH 0008)

ALL OF LOTS 56, AND 58 THROUGH 80, SHERWOOD PARK SUBDIVISION, A PLANNED
UNIT DEVELOPMENT - PHASE 3, RIVERDALE CITY, WEBER COUNTY, UTAH.
(TAX ID # 05-157-0001 THROUGH 0024)

CERTIFICATION

IN WITNESS WHEREOF, the undersigned hereby certifies that this Amended and Restated Declaration has been voted upon and approved by 67% of the Owners in accordance with the requirements of the Sherwood Park CC&R's. At the time of the original filing, on the 27th day of September in 2013, Exhibit B - Fines Rule, Exhibit B-1 - Amount of fines and the Division of Responsibilities had been inadvertently omitted from the filing. All documents have been voted upon and approved by 67% of the Owners in accordance with the requirements of the Sherwood Park CC&R's in 2013.

SHERWOOD PARK OWNERS ASSOCIATION

By Kathy Fickins
PRESIDENT
Beth J. Patterson Secretary

STATE OF UTAH)
 : ss
COUNTY OF WEBER)

On the 20 day of JANUARY, 2019, the undersigned hereby acknowledges and affirms to the below named notary public that (1) he appeared before such notary public, holds the position or title set forth above, and on behalf of the above named Association by proper authority, either executed the foregoing document before such notary public or acknowledged to such notary public that the undersigned executed the foregoing document, and that (2) the foregoing document was the act of such Association for the purpose stated in it.

Ashley Patterson
NOTARY

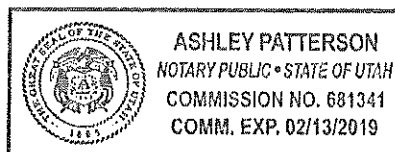


EXHIBIT "B"

SHERWOOD PARK OWNERS ASSOCIATION

FINES

WHEREAS, it is the desire of the lot owners of the Sherwood Park PUD Owners Association, to live in a community that is orderly, peaceful and desirable, the Association hereby sees fit to enact Community Rules that will allow for the comfortable enjoyment of all the lot owners of Sherwood Park PUD.

THEREFORE, in the interest of the health, safety and welfare of all lot owners at Sherwood Park PUD, it is the intent of Sherwood Park Homeowners to assess a fine against those lot owners or resident who fail to abide by the Sherwood Park PUD Amended Declaration, Bylaws or Rules. The Association hereby enacts these Community Rules permitting the assessment of fines as authorized by Amended Declaration of Sherwood Park PUD Owners Association.

1. FINES

1.1. Violations for Which a Fine May be Assessed. A fine may be assessed for the violation of a provision in the Governing Documents and Exhibits B, and B-1, attached and incorporated by this reference. The violations listed on Exhibit "B-1" may be modified by the Board pursuant to their power to enact rules governing conduct within the Association as contained in the Amended Declaration. Only those violations listed on Exhibit "B-1" and those described in the Governing Documents adopted by the Board are the offenses, which are subject to a fine. Exhibit "B-1" may be used to incorporate provisions in the Governing Document for which a violation may be assessed.

1.2. Written Notice of Violation. Before assessing a fine, the Board must give a written description and notice of the violation to the Owner and inform the Owner that a fine will be imposed if the violation is not resolved within the time provided in the written notice. The written notice shall contain a description or brief summary of the provision, Bylaw, Rule or Regulation that has been violated and a description of the manner in which the bylaw, rule or regulation has been violated. If the violation is temporarily resolved or stopped, but is repeated by the same Owner within ninety (90) days of the date a written notice of violation is first served on the Owner, the violation shall be deemed to be a continuing violation and the Board shall not be required to serve another notice of violation upon the Owner, but may rely upon the notice provided in the first written notice.

1.3. Time to Resolve. In all instances, the violation must be resolved within 48 hours of the

written notice being delivered to the Owner or the Owner's agent, unless the Board for good cause extends such time period. The member of the Board or their agent that serves the written notice of violation on the Owner shall write on the notice of violation the date and time by which the violation must be resolved. If a Owner repeats the violation more than 48 hours after receiving the written notice of violation, but less than (ninety) 90 days after receiving the notice, the Owner shall be deemed to have not timely resolved the violation.

- 1.4. **Fine.** If the violation is fully and completely resolved within the time provided in the written notice of violation, and is not repeated within (ninety) 90 days of the time the written notice is first served on the Owner, no fine may be assessed by the Board. If the violation is not fully resolved within the time provided, the Board shall, after confirming that the violation complained of has not been fully resolved, impose a fine as provided in the Governing Documents. If the same violation is repeated more than 48 hours but less than (ninety) 90 days after the written notice of violation is first given, the Board shall impose a fine as provided in the Governing Documents. The Owner shall receive a written notice of fine from the Board informing the Owner of the amount of the fine imposed.

- 1.5. **Manner of Providing Notice of Violation and Fine.** The notice of a violation of a Governing Document and the notice of a fine imposed by the Board may be provided to the Owner in any one or more of the following ways:

1.5.1. Attaching a copy to offending property or vehicle; or

1.5.2. Mailing a copy to the Owner at the Owner's regular mailing address; or email.

- 1.6 **a. Non-Owner Violations:** Non-Owners must have signed a form agreeing to abide by the same Governing Documents as Owners. Owners are ultimately responsible for the activities of Non-Owners who reside in, visit, or in any manner use their Lot or Unit and the Limited and Common Area. Any fine assessed against a Non-Owner will be the responsibility of the Owner of the Lot or Unit in which the Non-Owner resides. Since Non-Owners are subject to the provisions of the Governing Documents, Non-Owners are also subject to fines in the same manner as an Owner. The Owner may collect any fine assessed against a Non-Owner from the Non-Owner. If a Non-Owner violates a provision, both the Non-Owner and the Owner shall be served a notice of violation as provided above.

b. Non-Owner Occupied Lot or Units: In cases where the Lot or Unit is not occupied by the Owner and leased to a Non-Owner, and the violation of the Governing Documents is committed by a Non-Owner, the Owner shall be responsible for the failure of the Non-Owner to resolve such violations. The lease between the Owner and the Non-Owner shall incorporate by reference the provisions of these Governing Documents into the terms of the lease and the Owner may collect from the Non-Owner any fines the Owner becomes obligated to pay by virtue of the Non-Owner's actions. The Owner shall be responsible for bringing a separate action to collect any such fines from the Non-Owner.

c. Timely Resolve: It shall be the responsibility of the Owner to see that the Non-Owner

resolves the violation within the time allotted. Failure of the Owner to have the Non-Owner timely resolve the violation shall subject the Owner to the fine as provided herein as if the Owner committed the violation.

- 1.7. **Board Action;** Any action by the Board involving a notice of violation or a notice of fine may be taken by any officer of the Board if so authorized or ratified by a quorum of the Board, consisting of **fifty percent (50%) or more of the Board** present at a meeting either or in person or by telephone conference, or if not present at a meeting, members consenting to the action after conferring with other members of the Board.
- 1.8. **Continuous Violations.** Each day (24 hour period) during which a violation of the Governing Documents of the Association, or the violations listed on Exhibit "B-1", continues after the time period expires during which the Lot or Unit Owner is required to resolve the violation, constitutes a separate violation and is subject to a fine in the amount listed in Exhibit "B-1". The violation of a provision in the Governing Documents, or a provision listed on Exhibit "B-1", which is temporarily resolved within the time period required in the notice of violation, but which is violated again within (ninety) 90 days of the date the original notice of violation was served, is deemed to be a continuous violation for which another notice of violation is not required to be served.
- 1.9. **Amount of Fines.** The amount of a fine for a violation of a provision in the Governing Documents, or the provisions listed on Exhibit "B-1", shall be in the amount listed on Exhibit "B-1", but in no case shall a single fine exceed \$500.00. A cumulative fine, which is a fine for a violation that is not timely resolved or a fine that is repeatedly assessed due to repeated violations, for which a notice of violation has previously been served, may not exceed \$500.00 per month.
- 1.10. **Late Fees.** Fines not paid within ten (10) days shall accrue interest at the rate of one-percent (1%) per month and a late fee of \$25.00. An additional late fee shall be assessed for each and every 30-day period the fine remains unpaid after it is due. No interest or late fees may accrue until 10(ten) days after a hearing (if requested by the Owner) has been conducted and the Board has rendered a final decision.
- 1.11. **Protesting the Fine.** A Owner who is assessed a fine may request an informal hearing to protest or dispute the fine within ten (10) days from the date the fine is assessed (which is the date written on the notice of fine). The Owner protesting the fine shall request the informal hearing by delivering a written request to any member of the Board stating the grounds for the protest or dispute and setting forth in detail within fourteen (14) the following:
 - 1.11.1. the grounds for the protest, including any unusual circumstances justifying a reduction in the standard fine;
 - 1.11.2. the facts relied upon by the protesting Owner with respect to the violation or Non-violation of the Bylaw, Rules or Regulations;

1.11.3. the amount of the fine the Owner claims should be paid and the reasons supporting that claim; and

1.11.4. any errors made by the Board in calculating, assessing, or collecting the fine.

1.12. Informal Hearing. Within 21 days of receiving the request for a hearing, the Board shall schedule an informal hearing at which time the requesting Owner will be given an opportunity to present evidence and witnesses supporting the Owner's position. No formal rules of evidence will be required, and the Board can receive the evidence submitted by the requesting Owner and determine the probative value of such evidence. If it chooses and if it would be of benefit to the requesting Owner, the Board may also produce evidence supporting its decision to fine the Owner. However, the intent of the hearing is listening to the violating Owner's explanations and not to have a trial. The Board may terminate the hearing at any time if any individual present becomes unruly, inconsiderate or rude.

1.13. Decision of the Board. The Board, after the requesting Owner has had the opportunity at the hearing to present the evidence desired, may:

1.13.1. Leave the amount of the fine as originally stated;

1.13.2. reduce the fine to an amount agreed upon;

1.13.3. forgive the fine.

The Board shall render its written decision no later than ten (10) days after the date of the hearing.

1.14. Appeals. An Owner may appeal a fine by initiating a civil action within 180 days after;

1.14.1. a hearing has been held and a final decision has been rendered by the Board, or

1.14.2. the time to request an informal hearing has expired without the Owner making such a request.

1.15. Lien. A fine assessed which remains unpaid after the time for appeal has expired becomes a lien against the Owner's interest in the property in accordance with the same standards as a lien for the nonpayment of assessments, special assessments and/or common expenses.

1.16 Promulgation of Additional Rules and Fines. The Board is authorized to adopt and to amend the administrative rules and regulations as may be necessary or desirable to insure the property is maintained and used in a manner consistent with the interests of the lot owners, to protect and enhance the quality of life in the association, to protect the property values of the lots, to ensure a quality and enjoyable lifestyle, and to respect the rights and privileges of all residents to be free from the annoyance, disturbance and

nuisance of others. The method by which the Board may adopt new rules shall be as follows:

- 1.16.1 New rules shall be adopted at a regular or special meeting of the Board. The rule shall be in writing and voted on and approved by a majority of the members of the Board. If the violation of the new rule shall have a fine associated with it, the amount of the fine shall be stated in the rule and included in Exhibit "B-1".
 - 1.16.2 Prior to the new rule becoming enforceable, the Board shall cause to be delivered, personally or by regular U.S. mail, a copy of the new rule to each lot owner. The new rule shall become enforceable five (5) days from the day it is mailed to each lot owner or posted on the door of an absentee lot owner.
 - 1.16.3 Rules adopted in this manner shall deal only with the health, safety or welfare of residents or property. Rules adopted by the Board may also be used to clarify provisions in the Amended Declaration, Bylaws, or rules and regulations, or to change the amount of a fine associated with the violation of the rule.
 - 1.16.4 Rules adopted by the Board shall have the same force and effect as the Amended Declaration, the Bylaws, or other administrative rules and regulations adopted by the association, including the power to collect fines from those who violate these rules.
- 1.17 **SEVERABILITY.** If any phrase contained in these Community Rules or provision of these Community Rules, or any paragraph, sentence, clause, phrase, or word, or the application thereof, in any circumstance be invalidated, such invalidity shall not affect the validity of the remainder of the Community Rules, or the phrase or paragraph in which it is contained, and the application of any such provision, paragraph, sentence, clause, phrase or word in any other circumstances shall not be affected thereby.

EFFECTIVE DATE

These Community Rules shall take effect five (5) days after they have been distributed to the lot owners and residents of Sherwood Park PUD.

Exhibit "B-1" ***AMOUNT OF FINE**

1st Offense	2nd Offense within 90 days	3rd Offense within 90 days
\$35	\$70	\$100

Rules

The following activities are prohibited at Sherwood Park

Parking

- parking in restricted areas such as fire lanes
- parking in areas other than marked parking stalls
- parking in another's reserved parking stall
- parking in front of garbage dumpsters
- parking in areas with "No Parking" signs or red curbs
- parking in areas not permitted as designated stalls on the Associations parking map
- violation of any parking rule contained in the declaration, bylaws or Association rules
- parking recreational vehicles, boats or trailers on Association parking (Not in RV lot)
- parking unregistered or inoperable vehicles in the common areas or RV Lot for more than 3 days

Vehicles

- performing maintenance or mechanical work on vehicles, (including motorcycles, ATV, boats and trailers)

Common Areas

- misuse or damage to the common area by attaching satellite dishes, awnings, signs, lights, or any other item to the common area without written permission of the Board
- causing damage to the common area (lawn, roof, gutters, plumbing, parking area, sidewalk, carport, sprinkler system, flowers or shrubs, swing set, out buildings)

Cleanliness

- leaving trash, garbage, or clutter on the unit's patio, balcony, doorstep or carport or otherwise maintaining the patio, balcony, doorstep or carport in an unsightly unclean, or unsanitary condition
- failing to maintain limited common area used in connection with a unit in a clean, sanitary and attractive condition
- storing items in the limited common area other than those that would normally be directly used in connection with the limited common area (e.g., patio furniture, chairs, tables, etc)

Pets

- maintaining pets in a unit in violation of the bylaws, declaration or rules and regulations
 - failing to clean up immediately after pets that have made a mess in the common area
 - allowing unleashed pets in the common areas
 - maintaining a pet or animal in a unit in such a manner that it is (1) offensive to the senses of residents in other units, (2) disruptive to the comfortable enjoyment and lifestyle of other residents, or (3) an obstruction to the free use of property so as to interfere with the comfortable enjoyment or life (including smells, fleas, similar annoyances)
 - maintaining a pet or animal in a unit that can be heard in another unit such that the sound created by the pet is (1) offensive to the senses, (2) disruptive to the comfortable enjoyment and lifestyle of other residents, or (3) an obstruction to the free use of property so as to interfere with the comfortable enjoyment of life
-

Business

- operating a business in a unit without a business license or in violation of the municipal ordinances, the bylaws, declaration, or rules and regulations or without written permission of the Board
-

Annoyances

- engaging in activities that are noxious, destructive or offensive within a unit that may be or may become an annoyance or nuisance to any other owner or resident at Sherwood Park

Swimming Pool

- violation of association swimming pool rules (each violation will incur a fine and a thirty day suspension of pool privileges)
-

Insects, Pests, etc.

- maintaining a unit in a condition that is not sanitary so as to allow or encourage the growth of insects, pests, cockroaches, or other similar bugs or rodents so as to create a condition that is noxious, or destructive, or offensive, or that poses a health concern, or that may become an annoyance to any other owner or resident in Sherwood Park
-

Architectural Control

- not submitting plans to the Board for approval prior to starting the project
- failure to finish the project within a 6 (six) week period

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Division of Responsibilities

The breakdown below summarizes the responsibilities outlined in the covenants as to general and common items. This document is not inclusive of all areas. Owners should refer to the covenants for specific details and legal definitions. This document is to be used as a reference **only and is not intended to replace or define the covenants.**

	Exterior	HOA	Owner
1	Maintenance, repair and paint of roof and siding	X	
2	Maintenance and repair of exterior brickwork and chimneys	X	
3	Maintenance and repair of sidewalks in the Common Areas	X	
4	Maintenance and repair of front steps		X
5	Maintenance and repair of concrete foundations and basements		X
6	Maintenance and repair of patio and deck floor support structures		X
7	Maintenance and repair of fences		X
8	Maintenance and repair of gate handles and hinges		X
9	Maintenance and repair of carport and garage floors		X
10	Replacement, maintenance and repair of window wells	X	
11	Maintenance and repair of window well covers		X
12	Maintenance and repair of rain gutters and down spouts	X	
13	Maintenance and repair of patios, decks, awnings or other authorized modifications		X
14	Replacement, maintenance and repair of doors, hinges, frames, thresholds, locks, doorbells and chimes		X
15	Replacement, maintenance and repair of garage floors and doors		X
16	Replacement, maintenance and repair of windows, sliding glass doors, screens and frames		X
17	Replacement, maintenance and repair of all Common Area yard lights	X	
18	Replacement, maintenance and repair of all lights within patios or on porches		X
19	Maintenance and repair of gas and electricity connections to the outside meters of each unit	X	
20	Maintenance, repair, and replacement of water and sewer systems from the road to the main exterior connections to each building	X	
22	Owner is responsible for all modifications and improvements (skylights, awnings, windows, etc.) to original structure added by themselves or previous owners.		X
23	Carport supports and roofs	X	
24	Deductible of Association insurance policy when used for repairs by the Association		X
	INTERIOR	HOA	OWNER
25	Maintenance, repair, and replacement of city water and sewer systems to unit		X
26	Maintenance, replacement and repair of phone and TV lines		X
27	Maintenance and repair of electric and gas systems from outside meters in to the individual units		X
28	All interior painting, decorations and furnishings from the inside of the unfinished walls and ceilings. This includes all appliances, such as dishwashers, garbage disposals, ranges, refrigerators, heating and cooling systems, exhaust fans, attic vents, water heaters, telephone, intercoms and computer networks		X
29	Maintenance, cleaning and repair of venting, chimneys and fireplaces		X
30	Maintenance, repair, and replacement of plumbing fixtures such as sinks, basins, toilets, etc. and all interior pipes and valves		X
31	Repair of cracks or other damage to interior walls, floors, or ceilings caused by normal settling.		X
32	Repairs of damage resulting from static water or seepage of water from any underground source except water and sprinkler systems		X

33	Repair of damage from surface water or floods		X
34	Repairs or damage resulting from static water or seepage of water from water and sprinkler systems	X	
	GROUNDS	HOA	OWNER
35	Lawn, trees and shrubs in the common area	X	
36	Flowers, shrubs or trees planted in limited common areas by homeowners must be maintained by the homeowner, but may be removed by the Association at anytime		X
37	Common area lawn watering system	X	
38	Common area snow removal (roads and sidewalks)	X	
39	Roadways, parking lots, curbs and gutters and common areas sidewalks	X	
40	Watering system for limited common areas (with written approval of the Board)		X
41	Snow removal from porches, steps, patios and 2(two) feet behind unit's parking		X
	OTHER	HOA	OWNER
42	Maintenance and repair of swimming pool	X	
43	Dumpsters and emptying of dumpsters	X	
	Home inspection of unit when selling		