

**DECLARATION OF COVENANTS,
CONDITIONS & RESTRICTIONS**

FOR

**TERAKEE RESIDENTIAL
NEIGHBORHOODS**

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This Declaration of Covenants, Conditions and Restrictions for Terakee Residential Neighborhoods (the "Declaration") is made this day of _____, _____, by Terakee Properties LP, a Utah Limited Partnership ("Declarant").

RECITALS

- A. Declarant is the fee owner of certain real property located in Weber County, Utah, described on Exhibit A attached hereto.
- B. Declarant intends to develop the Real Property into a planned residential neighborhood of single-family detached residences, an assisted senior living center and four accessory dwelling units.
- C. Declarant deems it desirable to establish covenants, conditions and restrictions upon the Real Property and each and every portion thereof, which will constitute a general design for the development, government and management of the Real Property, and for the use, occupancy and enjoyment thereof, all for the purpose of enhancing and protecting the value, desirability and attractiveness of the Real Property and enhancing the quality of life in the Project.
- D. Declarant deems it desirable for the efficient development, government and management of the Real Property to create Terakee Farm, a non-profit corporation in the State of Utah, to which shall be delegated and assigned the powers of (i) administering and enforcing these covenants, conditions and restrictions, (ii) collecting and disbursing funds pursuant to the assessments and charges hereinafter created, and (iii) performing such other acts as are herein provided to which generally benefit the residents of Terakee Village PRUD Subdivision and Terakee Meadow Subdivision.
- E. Terakee Farm, a nonprofit corporation, has been, or will be, incorporated under the laws of the State of Utah for the purpose of exercising such powers and functions referenced in Recital D above; and has been, or will be, registered with the Utah Division of Corporations and Commercial Code.

NOW, THEREFORE, for the purposes above set forth, Declarant declares that the Real

Property, including each Lot, hereafter shall be held, transferred, sold, conveyed, leased, occupied and used subject to the covenants, conditions, restrictions, liens, assessments, easements, privileges and rights hereinafter set forth, all of which shall run with the land and be binding upon the Real Property and all parties having or acquiring any right, title or interest in or to the Real Property, or any part thereof, and shall inure to the benefit of each owner thereof.

DEFINITIONS

Unless the context clearly requires otherwise, the following terms used in this Declaration are defined as follows:

- **"Additional Property"** shall mean real property and any improvements thereon, which is added to the Project, and made subject to this Declaration, in one or more additional phases, by a recorded Declaration of Annexation.
- **"Terakee Village PRUD"** means a Planned Residential Unit Development approved in Weber County, Utah.
- **"Terakee Meadow"** means a residential subdivision approved in Weber County, Utah.
- **"Architectural Committee"** means the architectural committee or committees established by Terakee Farm.
- **"Architectural Rules"** means any rules, guidelines, standards and procedures adopted by the Architectural Committee (which may be amended from time to time in accordance with the provisions of this Declaration), governing architectural control of the Project, and which have been approved by the Board of Terakee Farm.
- **"Articles"** means the Articles of Incorporation of Terakee Farm, which have been, or will be, filed in the Division of Corporations and Commercial Codes of the State of Utah. Such Articles may be amended from time to time, or of any successor thereto.
- **"Assessments"** means the charges levied and assessed pursuant to this Declaration.
- **"Auxiliary Dwelling Unit"** means an ancillary or auxiliary Dwelling Unit, which is not the Principal Dwelling Unit on a Lot, but which is part of either a detached garage or a separate building.

- **"Board"** means the Board of Directors of Terakee Farm.
- **"Common Area"** means all real property identified in the residential areas; excluding open space owned and operated by Terakee Farm.
- **"Declarant"** means Terakee Properties LP, or any Owner to whom Declarant assigns Declarant's rights, powers and duties hereunder (which Declarant may do in its sole and absolute discretion) and who accepts the same, as may be established by a Notice of Assignment referring to this Declaration and recorded in the Real Property Records of Weber County, Utah.
- **"Declaration"** means this instrument, as it from time to time may be amended.
- **"Design Review Committee"** shall mean the committee tasked with reviewing all structures. Terakee Farm will maintain responsibility for assigning committee members.
- **"Dwelling Unit"** means any building or portion of a building situated upon a Lot designed and intended for use and occupancy as a residence by a Single Family.
- **"Improvement(s)"** shall mean each and every physical improvement of any kind whatsoever to any portion of the Real Property, including, but not limited to, any excavation, grading, fill work, building, Dwelling Unit, walkway, driveway, road, parking area, wall, fence, utility installation, drainage facility, stairway, patio, courtyard, pole, sign, or any trees, grass, plants, shrubs or other landscaping and any and all components of any of the foregoing (including, but not limited to, exterior paint, texture, color and finish) and any and all modifications, alterations of, or additions to, any of the foregoing.
- **"Lot"** means any parcel of real property designated as a numbered lot on a Plat and any Improvements located thereon. The platted lots are referred to collectively herein as "Lots," and all such Lots in the Project are subject to the Declaration.
- **"Agricultural Preservation Fund"** means a fund managed by Terakee Farm designed to maintain and preserve the agricultural heritage of the area.
- **"Agriculture Open Space"** means agriculture open space exclusively owned and operated by Terakee Farm.

- **"Owner"** means one or more Persons who are alone or collectively the record owner of fee simple title to a Lot, including Declarant, or the vendee under an installment land sales contract, but excluding those having any such interest merely as security for the performance of an obligation. If fee title to a Lot is owned other than by Declarant, the Owner of the fee title and not the lessee of such Lot shall be deemed the Owner regardless of the term of the lease.
- **"Person"** means an individual, corporation, partnership, trust, limited liability company or other entity capable of holding title to real property, and their respective heirs, successors and assigns.
- **"Plat"** means collectively a plat of the Project as recorded in the Official Records of Weber County, Utah, which subdivides the Real Property, and as thereafter from time to time amended or supplemented, together with all subsequent plats of subdivision for Additional Property annexed to the Real Property.
- **"Principal Dwelling Unit"** means the Dwelling Unit on a Lot that has been constructed to be the principal or primary Single Family living quarters on the Lot.
- **"Project"** means the Real Property located in Weber County, Utah which is described in Exhibit A attached hereto, together with all Improvements located thereon or to be located thereon and all easements, rights, and appurtenances belonging thereto, together with all other real property and Improvements subsequently annexed to the Real Property.
- **"Purchaser"** means any Person other than Declarant who by means of a voluntary transfer becomes the Owner of a Lot other than a person who, in addition to purchasing a Lot, is assigned any or all of Declarant's rights under this Declaration.
- **"Real Property" or "Property"** means all the real property located in Weber County, Utah, which is described on Exhibit A attached hereto, together with all Improvements located thereon or to be located thereon and all easements, rights and appurtenances belonging thereto.
- **"Residence"** means any subdivided Lot shown on a Plat, together with the Principal Dwelling Unit, any appurtenant Auxiliary Dwelling Unit, garage, patio and other Improvements thereon and all rights and easements appurtenant thereto granted pursuant to this Declaration and to the deed of conveyance.

- **"Single Family"** means an individual, or a group of two or more persons each related to the other by blood, marriage or legal adoption, or a group of not more than three persons not all so related, together with their domestic servants, who maintain a common household.

TERAKEE FARM

General Duties and Powers. In addition to the duties and powers provided by law and enumerated in its Articles and Bylaws, or elsewhere provided for herein, and without limiting the generality thereof, Terakee Farm shall have the specific duties and powers specified in this Part:

- Maintain and otherwise manage all of its properties to the full extent permitted by law, including the Common Areas, Open Spaces, and agricultural parcels and all Improvements thereon in which Terakee Farm holds an interest.
- The grass in the front yards and the landscaping in the landscape strips. All personal property in which Terakee Farm holds an interest.
- All property, real or personal, which Terakee Farm is obligated to repair or maintain pursuant to this Declaration.
- Contract for services not provided by Weber County or local districts or municipalities, including garbage collection, snow removal, secondary water service, etc.

COVENANT FOR ASSESSMENT

Each Owner of any Lot by acceptance of a deed or other conveyance by which such Owner becomes the Owner of a Lot, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to Terakee Farm assessments; such assessments and/or other fees to be fixed, established and collected from time to time as provided in this declaration. Such assessments and/or other fees, together with interest thereon, late charges, attorney's fees, court costs, and other costs of collection thereof, shall be a continuing lien upon the Lot against which each such assessment is made and shall also be the personal obligation of the Owner of such Lot at the time when such assessment and/or other fees become due. The

personal obligation for delinquent assessments shall not pass to the successors in title of the Owner unless expressly assumed by them.

Purpose of Assessments:

A. Agricultural Open Space Preservation: One-time fee assessed upon the purchase of a building lot within Terakee Farm PRUD and/or Terakee Meadow. Funds will be used to ensure landscaped areas are maintained and private roads are effectively managed and operated.

B. Secondary Water Impact: One-time fee assessed upon the purchase of a building lot within Terakee Farm PRUD and/or Terakee Meadow for the construction and maintenance of the secondary water system.

C. Monthly Secondary Water Usage: Assessed on a monthly basis from April through October each year to cover maintenance and management of the secondary water system.

USE RESTRICTIONS

- **Scope.** Except as otherwise specified, the provisions of this Part shall apply to all of the Project.
- **Residential Use.** All Lots shall be used, improved and devoted to residential use and as otherwise permitted hereunder. Each Dwelling Unit construction on the Real Property may be occupied only by a Single Family.
- **Commercial Use.** Except for Declarant's use of the Project for display and exhibit purposes, for the maintenance of sales facilities, and for purposes of selling Lots and/or constructing Dwelling Units and Improvements, no part of a Lot shall be used or caused to be used or allowed or authorized in any way, directly or indirectly, for any business, commercial, manufacturing, mercantile, storing, vending, or any nonresidential purpose. Notwithstanding the foregoing to the contrary, a Lot may be used for a home-based and Owner owned and operated business so long as all the following criteria are met: the business complies with all applicable zoning and other codes and municipal requirements and stipulations.
- **Improvements, Alterations and Architectural Committee Control.** All Real Property within the Project is subject to Architectural Rules and other rules and requirements of the Architectural Committee. Except for construction work undertaken by Declarant or its agents or contractors. No

Improvements may be constructed or installed on any Real Property within the Project and no construction, alterations, repairs, excavations, grading or other work (exclusive of landscaping) which in any way alters the exterior appearance of any Real Property within the Project, or the Improvements located thereon, from its natural or improved state existing on the date such property was first conveyed in fee by Declarant to an Owner shall be made or done without the prior written approval of the Architectural Committee, except as otherwise expressly provided in this Declaration. No Auxiliary Dwelling Unit may be constructed on a Lot prior to the construction of a Principal Dwelling Unit on the Lot.

- Architectural Design. The architectural design of all Dwelling Units and other Improvements constructed within the Project shall not be of such a sharply contrasting nature so as to make the Dwelling Unit and other Improvements look unusual or incompatible with other existing or contemplated Dwelling Units or other Improvements.
- Minimum Dwelling Unit Size. Any Principal Dwelling Unit erected, permitted or maintained on any Lot shall have a minimum livable square footage, excluding garage, porches, guest house, and patios, of sixteen-hundred (1,600) square feet. Any Auxiliary Dwelling Unit erected or maintained on any Lot that is not attached to or part of a garage shall have a minimum livable square footage of four hundred (400) square feet.
- Roofing Material. All roofing material used on pitched or sloping roofs shall be the same as that used in the original construction of the Dwelling Units within the Project, unless otherwise authorized and approved in writing by the Architectural Committee. Rolled roofing material may be used on non-air-conditioned patio covers attached to the home when approved in writing by the Architectural Committee.
- Walls and Fences. All perimeter fences or Boundary Fences, gates and garden walls shall be constructed of the same materials as used in the original construction of the perimeter fences, Boundary Fences, gates, garden walls and Dwelling Units within the Project. Accent panels or decorative trim may be used with prior written approval and authorization of the Architectural Committee.

- Shared Cost of Boundary Fences. The cost of any boundary fence constructed upon the dividing property line or boundary between Lots (a "Boundary Fence") or near or adjacent to said dividing property line when existing easements prevent a fence from being located on the dividing property line, shall be shared, on an equal basis between the adjacent Lot Owners whether the said Owner is a contractor or adjoining Lot Owner. If the adjoining Lot Owner had already constructed said Boundary Fence, the adjacent Owner shall reimburse said adjoining Lot Owner for one-half (1/2) of the actual cost of said Boundary Fence, as evidenced by actual receipts and invoices. Said amounts shall be paid in cash within sixty (60) days from proof of construction costs. If the Boundary Fence has not yet been constructed, then the Owners shall share the cost, on an equal basis, with its adjacent Owner or Owners. In the event of a dispute between Owners with respect to the cost of installation of a Boundary Fence or with respect to sharing of the cost thereof, then, upon written request of both of such Owners addressed to the Board, the matter shall be submitted for arbitration before the Board under such rules as may from time to time be adopted by the Board. The decision of the Board shall be final and conclusive.
- New and Permanent. All Dwelling Units and other structures on the Property shall be of new and permanent construction, and no structure shall be moved from any location on or off the Property.
- Air Conditioners. No air conditioning units, heating units, compressors, evaporative coolers, or similar equipment shall be constructed or installed on the roof, or in the windows, or in or on the exterior walls of any Dwelling Unit in the Project, or shall be Visible From The Street.
- Solar Panels. No solar panels shall be installed on any Dwelling Unit or Lot without the prior written approval and authorization of the Architectural Committee. If such approval is granted, the Architectural Committee may specify the size and type of solar panels allowed, and the location where they may be installed.
- Planting and Landscaping. Except for (i) such planting and landscaping as is installed by Declarant and is in an area maintained by Terakee FArm, (ii) such planting and landscaping as is not Visible From The Street, and (iii) no fence, hedges or walls shall be erected or maintained on any Lot

without the prior written approval of the Architectural Committee. These restrictions shall not apply to Declarant's activities in connection with construction of the Project.

- Installation and Maintenance of Landscaping Improvements. Within ninety (90) days after the date on which Weber County issues a Certificate of Occupancy for a Dwelling Unit on a Lot, the Owner of each Lot shall install plants and other landscaping improvements (together with a sprinkle or drip system sufficient to adequately water the plants and other landscaping improvements) in the front yard and side yard (if such side yard is Visible From The Street) of his Lot (if and to the extent not previously installed by the Declarant) in a manner that, together with the grass or other landscaping already installed in the front yard and the landscaping already installed in the landscape strips of his Lot, would give such portion of the Lot an attractive and fully landscaped appearance. All shrubs, trees and other plants of any kind installed (other than those initially installed by the Declarant) or, from time to time, replaced in the front yard and side yard (if such side yard is Visible From The Street) of his Lot, must be selected from a list approved by the Architectural Committee. If disease or other natural hardships for a particular species of plant occurs, the Architectural Committee may elect to replace such species of plant with an equivalent plant of a different species. If required by the Board, the grass, plants, trees and other landscaping improvements shall be installed in accordance with plans approved in writing by the Architectural Committee. All landscaping on a Lot and in Common Areas shall be maintained in accordance with approved landscaping plans for the Project and good landscaping maintenance practices. Dead plants shall be promptly replaced by identical specimens or other approved plants; except that flowers and other annuals may be replaced or changed at the discretion of the Owner. Notwithstanding anything in this Declaration to the contrary, neither the Architectural Committee, the Architectural Rules nor this Declaration shall or may prohibit low-water usage landscaping.
- Antennae. No television, radio, or other electronic antennae or satellite dish or device of any type shall hereafter be erected, constructed, placed or permitted to remain on a Lot or elsewhere

within the Project unless and until the same shall have been approved in writing by the Architectural Committee, or unless the same is contained within a building, or unless the same is not Visible From The Street.

- Utility Service. Except as approved in writing by the Architectural Committee, no lines, wires, or other devices for the communication or transmission of electronic current or power, including telephone, television, and radio signals, shall be erected, placed or maintained anywhere in or upon the Lot unless the same shall be contained in conduits or cables installed and maintained underground or concealed in, under or on buildings or other structures approved by the Architectural Committee. No provision hereof shall be deemed to forbid the erection of temporary power or telephone structures incident to the construction of Dwelling Units or other structures approved by Declarant or the Architectural Committee.
- Temporary Structures. No structure of a temporary character, trailer, tent, shack, garage or other out-building shall hereafter be used at any time, on any portion of the Real Property for a residence, either temporarily or permanently. Temporary buildings or structures, approved by the Architectural Committee for use during the construction of a Dwelling Unit shall be removed immediately after the completion of construction. Declarant shall be permitted to place temporary buildings or structures on portions of the Real Property for the purposes of conducting sales or construction operations.
- Drainage; Interruption of Barriers. No Owner shall erect, construct, maintain, permit or allow any fence, landscaping or other Improvement or other obstruction or alteration of any grading (i) which would interrupt the normal drainage of the Lot or land from its natural or improved state existing on the date such property was first conveyed in fee by Declarant to an Owner or (ii) within any area designated on a Plat (or other building document) as a "Drainage Easement," except that, with the prior consent of the Architectural Committee, non-permanent structures, including fences, may be erected in those areas which contain only underground closed conduit drainage facilities. No Owner shall erect, construct, maintain, or allow any fence, landscaping or other Improvement or

other obstruction or alteration of any grading which would interrupt any physical or chemical termite "barrier" on the Lot or land in the improved state existing on the date such property was first conveyed in fee by Declarant to an Owner.

- Machinery and Equipment. No machinery or equipment of any kind which is Visible From Neighboring Property shall be placed, operated or maintained upon or adjacent to any Lot or other Real Property except such machinery or equipment as is usual and customary in connection with the use, maintenance or construction of a Dwelling Unit, appurtenant structures, or other Improvements and except which Declarant may require for the operation and maintenance of the Common/Open Area and the Real Property or which is utilized in connection with Declarant's permitted uses.
- Signs. No sign of any kind which is Visible From Neighboring Property shall be installed or displayed on any Lot or Common Area except: (i) such signs as may be used by Declarant in connection with the development and sale of Lots and/or Dwelling Units or Common Area in the Project; (ii) such signs as may be required by legal proceedings, or which by law, may not be prohibited; (iii) such signs as may be required for traffic control; or (iv) such other signs (including, but not limited to, construction job identification signs, builders' signs, subdivision identification signs, "for sale" signs, "for lease" signs, temporary "rent" signs, and "garage sale" and similar signs) as are in conformance with the requirements of the Town and which have been approved in advance in writing by the Architectural Committee (which approval may be in the form of rules and regulations of general applicability) as to size, colors, design, message content, number and location.
- Clothes Drying Area. Clothes lines and similar equipment shall be permitted, but only if installed in the rear yard of a Lot, screened or otherwise not Visible From The Street. Otherwise, no portion of any Lot shall be used as a drying or hanging area for laundry of any kind.
- Window Covers. Interior curtains, drapes, shutters or blinds may be installed as window covers. No aluminum foil, reflective material, newspaper or other materials not customarily made for use as window covers may be installed or placed upon the inside or outside of any Dwelling Unit or

other structure if Visible From Neighboring Property. Exterior awnings, canopies, shutters and similar items, other than as may have been originally constructed and installed by Declarant, may not be installed without prior written approval of the Architectural Committee if Visible From The Street.

- Flags; Flagpoles. United States or State flags may be displayed if attached to a Dwelling Unit. Freestanding flagpoles may be used by Declarant, but otherwise are not permitted. Flagpoles attached to a Dwelling Unit (e.g., to a column or fascia) shall not exceed such size as shall be reasonably necessary to secure the flag.
- Basketball Standards. Basketball standards and hoops, whether attached to a Dwelling Unit or freestanding, and whether Visible From The Street, shall be permitted so long as they are located behind the building front setback line of the Lot, and so long as they are properly maintained in good repair.
- Trucks, Trailers, Campers and Boats. No vehicle may be left upon any portion of the Project except in a garage, driveway, parking pad, or other area designated by the Board. Notwithstanding the foregoing, commercial vehicles, recreational vehicles, mobile homes, trailers, campers, boats or other watercraft, stored vehicles, and unlicensed vehicles or inoperable vehicles shall not be parked within the Project other than within an enclosed garage; provided however, that one boat may be temporarily kept or stored completely on a parking pad on a Lot for not more than four (4) nights within each calendar month. This Section shall not apply to emergency vehicle repairs or to vehicles utilized in connection with Declarant's permitted uses. Vehicles shall include, without limitation, automobiles, trucks, boats, jet skis, trailers, motorcycles, campers, vans, all-terrain vehicles, recreational vehicles, and any and all other motorized vehicles.
- Motor Vehicles. No automobile, motorcycle, motorbike or other motor vehicle shall be constructed, reconstructed or repaired upon any Lot or street in the Project, and no inoperable vehicle (including, without limitation, vehicles with flat tires) may be stored or parked on any such Lot or street, so as to be Visible from The Street or to be visible from Common Areas;

provided, however, that any such vehicle may be stored or parked entirely within an enclosed garage; and provided further that the provisions of this Section shall not apply to emergency vehicle repairs, to vehicles or facilities utilized in connection with Declarant's permitted uses, or to temporary construction shelters or facilities maintained during, and used exclusively in connection with, the construction of any Improvement approved in writing by Declarant, so long as Declarant owns any portion of the Project, or the Architectural Committee.

- Parking. Vehicles of all Owners, lessees and residents, and of their employees, guests and invitees, are to be kept in garages, carports, residential driveways of the Owner and other designated parking areas wherever and whenever such facilities are sufficient to accommodate the number of vehicles at a Lot; provided, however, this Section shall not be construed to permit the parking in the above described areas of any vehicle whose parking in the Project is otherwise prohibited or the parking of any inoperable vehicle; provided, further, the Board may promulgate rules and regulations limiting or restricting parking of vehicles during designated hours and on designated streets.
- Garbage, Trash, Debris and Hazardous Materials. No rubbish, hazardous materials, or debris of any kind shall be placed, stored, or permitted to accumulate upon or adjacent to any Lot or other portion of the Project and no odors shall be permitted to arise therefrom, so as to render any such Lot or any portion of the Project unsanitary, unsightly, offensive or detrimental to any other Lot or other portion of the Project or to its occupants. No garbage or trash shall be placed or kept on any Lot or other portion of the Project except in covered containers of a type, size and style which are approved by the Architectural Committee. In no event shall such containers be maintained so as to be Visible From Neighboring Property except to make the same available for collection and then only for the time reasonably necessary to effect such collection. The Board shall have the right, in its sole discretion, to require all Owners to place their garbage or trash containers at a specific location for collection or to require all Owners to subscribe to a trash collection service. All rubbish, trash and garbage shall be removed from the Lots or other portion of the Project and shall not be allowed to accumulate thereon. No incinerators shall be kept or maintained on any

Lot or other portion of the Project. No garbage or trash containers shall be kept or placed on any grass or other landscaped area.

- Fires. Other than barbecues in properly constructed barbecue pits or grills, and firepits in compliance with the Architectural Rules, or as otherwise expressly permitted in such rules, no open fire shall be permitted on a Lot or other portion of the Project nor shall any other similar activity or condition be permitted.
- Nuisances. No Owner shall suffer anything to be done or kept about or within his Lot or on or about the Project, which may cause the insurance to be canceled or the premiums of such insurance to be increased for any Lot or other portion of the Project, or which may obstruct or interfere with the rights of other Owners, or annoy them by unreasonable noises (including but not limited to loud or disturbing noise or sounds in the evening hours) or otherwise, nor will he commit or permit any nuisance or commit or suffer any illegal act to be committed therein. Each Owner shall comply with the Board, the requirements of all health authorities and other governmental authorities having jurisdiction over the Project. The Board in its sole discretion shall have the right to determine the existence of any such nuisance.
- Diseases and Insects. No Owner shall permit any thing or condition to exist upon any property that shall induce, breed or harbor infectious plant diseases or noxious insects.
- Compatibility With Agricultural Uses. Each Owner shall use and maintain his Lot and Terakee Farm shall use and maintain the Common Area in a manner that is not incompatible with the agricultural character of the farm tracts within Terakee Farm. Each Owner shall comply with the reasonable requests of the owner or operator of the farm tracts within Terakee Farm in order to maintain the viability of the agricultural character and agricultural uses of those areas, including but not limited to requests not to use certain pesticides or pesticides not listed on an approved list for organic methods to be provided by such owner or operator, requests not to engage in certain activities that might jeopardize the organic certification of the farm tracts.
- Mining. No portion of the Project shall be used in any manner to explore for or to remove any water, oil or other hydrocarbons, minerals of any kind, gravel, earth or any earth substance of any kind,

except for grading and excavation work and the removal of fill material including, but without limitation, gravel, rock and sand, in connection with the construction of Dwelling Units, buildings, structures or other improvements which have been approved in writing by the declarant or the Design Review Committee, as applicable, except for grading, excavation and removal work being performed by, or on behalf of the declarant, and except in connection with normal development or construction activities in connection with Declarant's permitted uses.

- Safe Condition. Without limiting any other provision in this Part, each Owner shall maintain and keep his Lot at all times in a safe, sound and sanitary condition and repair and shall correct any condition or refrain from any activity which might interfere with the reasonable enjoyment by other Owners of their respective Lots.
- Encroachments. No tree, shrub, or planting of any kind on any property shall be allowed to overhang or otherwise to encroach upon any sidewalk, street, pedestrian way, or other area from ground level to a height of twelve (12) feet, without the prior approval of the Architectural Committee.
- Model Homes. The Declaration which may prohibit nonresidential use of Lots and which regulate parking of vehicles shall not prohibit the construction and maintenance of model homes by persons engaged in the construction or marketing of Dwelling Units within the Project or parking incidental to the visiting of such model homes. Any Dwelling Units constructed as model homes for Declarant's use shall cease to be used as model homes at any time when Declarant (whether as owner or lessee thereof) has not been actively engaged in the construction and sale of Dwelling Units within the Project for a period of one (1) year.
- Variances. The Architectural Committee may, at its sole option and in extenuating circumstances, grant variances from restrictions set forth in this Declaration if the Committee determines, in its sole discretion:
 - A. That either (i) enforcement of a particular restriction would create a substantial hardship or burden on an Owner or occupant, or (ii) a change of circumstances

since the recordation of this Declaration has rendered such restriction obsolete; and

B. That the activity permitted under the variance will not have any substantial adverse effect on the Owners and occupants and is consistent with the high quality of life intended for residents of the Project.

- Declarant's Exemption. Notwithstanding any other provision of this Declaration, the Articles, Bylaws or Architectural Rules, it shall be expressly permissible for Declarant or its duly authorized agents, employees and representatives to maintain during the period of construction and sale of Lots and/or Dwelling Units such facilities, structures, signs or other sales-related items as are necessary or convenient, in the sole opinion of Declarant, to the sale of the Lots and/or Dwelling Units, including without limitations, a business office, storage area, construction yards, model units or homes and sales offices, and to otherwise construct Dwelling Units in accordance with its plans and specifications.
- Enforcement. Terakee Farm or its authorized agents may, upon reasonable written notice, enter any Lot in which a violation of these restrictions exists and may correct such violation at the expense of the Owner of such Lot. Such expenses, and such fines as may be imposed pursuant to this Declaration.

ARCHITECTURAL COMMITTEE

- Approval of Plans. No Improvements shall be commenced, erected or maintained within any portion of the Property (other than by Declarant in the ordinary course of constructing Dwelling Units or developing the Project) unless and until detailed plans and specifications (including site plans) showing the proposed nature, location, identity, type, and quality of proposed materials, size, area, height, color, shape and design of the proposed Improvements, as well as the general contractor or construction manager, as the case may be, and any other matters required by this Declaration or by the Architectural Rules described below, have first been approved by the Architectural Committee. No Improvement shall be commenced, erected or maintained within the Property (other than by Declarant in the ordinary course of constructing

Dwelling Units or developing the Project) except in compliance with this Declaration and with the approved plans and specifications for such Improvements. Notwithstanding anything herein to the contrary, any Owner aggrieved by a decision of the Architectural Committee may appeal the decision to the Design Review Committee.

- Architectural Rules and Committee Procedures. The Architectural Rules shall be followed by Owners in preparing and submitting plans and specifications and shall be used by the Architectural Committee in reviewing plans and specifications for proposed Improvements, in rendering its decisions and otherwise performing its functions under this Declaration. The Architectural Committee may promulgate such further or additional rules, subject to approval by the Board before being put into use, so long as such further or additional Architectural Rules shall not be inconsistent with the terms of this Declaration and if there are any inconsistencies, the provisions of this Declaration shall control.
- Fee. The Architectural Committee may establish reasonable processing fees to defray its costs in considering any requests for approvals submitted to it. The appropriate fee shall be paid at the time the request for approval is submitted.
- Compensation; Delegations. The members of the Architectural Committee shall not receive any compensation for services rendered. All members shall be entitled to reimbursement for reasonable expenses incurred by them in connection with the performance of any Architectural Committee function or duty. Professional consultants retained by the Architectural Committee shall be paid such compensation as the Architectural Committee determines. The Architectural Committee may delegate its plan review responsibilities, except final plan approval, to one or more of its members or to architectural consultants which it retains.

GENERAL PROVISIONS

- Construction by Declarant. Nothing in this Declaration shall limit the right of Declarant to alter the Common Area or the Lots, or to construct such additional or different Improvements as Declarant deems advisable prior to completion of Improvements upon and sale of the entire

Project. Such right shall include but shall not be limited to erecting, constructing and maintaining on the Real Property such structures and displays as may be reasonably necessary for the conduct of the business of completing the work and disposing of the same by sale, lease or otherwise. This Declaration shall not limit the right of Declarant at any time prior to acquisition of title by a Purchaser to establish on the Real Property additional licenses, reservations and rights-of-way to itself, to utility companies, or to others as may from time to time be reasonably necessary to the proper development and disposal of the Project.

- Violation of Law. Any violation of any state, municipal, or local law, ordinance or regulation, pertaining to the ownership, occupation or use of any property within the Project is hereby declared to be a violation of this Declaration and subject to any or all of the enforcement procedures set forth herein.
- Joint and Several Liability. In the case of joint ownership of a Lot, the liabilities and obligations of each of the joint Owners set forth in or imposed by this Declaration shall be joint and several.
- Term. The covenants, conditions and restrictions and of this Declaration shall run with and bind the Project for a term of twenty (20) years from the date this Declaration is recorded.
- Termination. The provisions of this Declaration may be terminated only with the approval of Declarant.

OPEN SPACE PRESERVATION

- Ownership. All open space parcels and agricultural parcels will be independently owned and operated by Terakee Farm. Nothing in this Declaration should be construed otherwise.