

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This Declaration of Covenants, Conditions and Restrictions is made this 12th day of August 2005, by Thunder Ridge Airpark, LLC, a Utah Limited Liability Company, hereinafter referred to as the "Declarant".

WHEREAS, the Declarant is the owner of certain real property located in Duchesne County, Utah, and fully described as the Thunder Ridge Airpark Plat recorded herewith in the office of the RMC for Duchesne County, Duchesne, Utah, and desires to create thereon a residential planned development so improved as to afford each landowner the natural and structural beauty for the accommodation of a gracious living and at the same time provide convenience of facilities for the furtherance of their common interest in aviation.

WHEREAS, the Declarant desires to insure the values and amenities in said planned development, to prevent any future impairment thereof, and to provide for the maintenance of all common areas, by subjecting the real property, together with any additions to said property, to the covenants, restrictions, easements, charges, and liens hereinafter set forth, each of which is and are for the benefit of each property and each owner thereof.

WHEREAS, the Declarant has deemed it desirable for the efficient preservation of the values and amenities in said planned development to create an agency to which will be delegated and assigned the powers of maintaining and administering the planned development properties and facilities and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created. For this purpose the Declarant has caused to be incorporated under the laws of Utah as a non-profit corporation, Thunder Ridge Property Owners Association, Inc.

NOW, THEREFORE, Declarant, by this DECLARATION of Covenants, Conditions and Restrictions, does hereby declare that all the property described herein and shown as lots 155 through 231 of the Chuckwagon phase of Bandanna Ranch within sections 26, 35 and 36, Township 3 South, Range 9 West, Uintah Special Base and Meridian known herein as the Thunder Ridge Airpark Subdivision platted in Duchesne County, Utah is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions, easements, charges and liens set forth in the Declaration which shall run with the real property and be binding on all parties owning any right, title or interest in said real property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

Declaration of Covenants, Conditions, and Restrictions
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ARTICLE I Definitions

Section 1.1 Adjoining Land shall mean and refer to land contiguous with the Property, whether or not owned by Declarant, which is or may be made subject to this Declaration.

Section 1.2 Annexation shall mean and refer to the process by which portions of the Expansion Property or Adjoining Land are made subject to this Declaration as provided in Article XVI below.

Section 1.3 Architectural Control Committee (ACC) shall mean and refer to a committee formed to maintain the quality and architectural harmony of improvements to the Development.

Section 1.4 Architectural Guidelines shall mean and refer to the guidelines and rules established and supplemented from time to time by the Architectural Control Committee.

Section 1.5 Articles or Articles of Incorporation shall mean and refer to the Articles of Incorporation of the Association that will have been filed with the Secretary of State to create the Association.

Section 1.6 Assessments shall mean and refer to annual, special and default assessments levied pursuant to Article XI below to meet the estimated cash requirements of the Association.

Section 1.7 Association shall mean and refer to the Thunder Ridge Property Owners Association, Inc., a non-profit Utah corporation, its successors and assigns.

Section 1.8 Board of Directors shall mean and refer to the Board of Directors of the Association, which is the governing body of the Association.

Section 1.9 By-Laws shall refer to the bylaws of Thunder Ridge Property Owners Association attached to the Declaration and incorporated herein by this reference.

Section 1.10 Thunder Ridge Airpark shall mean and refer to the planned community created by this Declaration, consisting of the property and of all improvements located on the property.

Section 1.11 Thunder Ridge Airpark Documents shall mean and refer to the basic documents creating and governing Thunder Ridge Airpark, including but not limited to this Declaration, the Articles of Incorporation and Bylaws of the Association, the Architectural Guidelines and any Procedures, Rules, Regulations or Policies adopted under such documents by the Association of the Architectural Control Committee.

Section 1.12 Common Area shall mean any and all real and personal property and easements and other interests therein, together with the facilities and improvements located thereon, now and hereafter owned by the Association for the common use and enjoyment of the Owners.

Section 1.13 Declarant shall mean and refer to Thunder Ridge Airpark, LLC, a Utah Limited Liability Company, and its successors-in-title and assigns. It is expressly understood that there shall be only one person or legal entity entitled to exercise the right and power of the "Declarant".

Section 1.14 Declaration of Annexation shall mean and refer to a declaration prepared and recorded in accordance with Article XVI below to incorporate the Adjoining Land within the Property governed by this Declaration.

Section 1.15 Development/Properties shall mean and refer to certain real property and interest therein described as Thunder Ridge Airpark attached hereto, and such additions thereto as made by the Declarant.

Section 1.16 Improvements shall mean and refer to all buildings and structures, parking areas, fences, walls, hedges, plantings, pools, driveways, ponds, lakes, recreational facilities, signs, changes in any exterior color or shape, excavation and all other site work including without limitation grading, road construction, utility improvement, removal of trees or plantings, and any new exterior construction or exterior improvement which may be included in the foregoing. "Improvements" does not include turf, shrub or tree repair or replacement of a magnitude that does not change exterior colors or exterior appearance. "Improvements" does include both original improvements and all later changes and improvements.

Section 1.17 Lot shall mean and refer to any plot of land within the Thunder Ridge Airpark properties whether or not improvements are constructed thereon, which constitutes or will constitute a single family dwelling. The ownership of each Lot shall include all the rights, title, and interest of an Owner in the Common Property, which shall include without limitation, membership in the Association.

Section 1.18 Maintenance Fund shall mean and refer to the fund created by assessments and fees levied pursuant to Article XI below to provide the Association with the funds required to carry out its duties under this Declaration.

Section 1.19 Member shall mean and refer to any person or entity holding membership in the Association.

Section 1.20 Mortgage shall mean and refer to any mortgage, deed to secure debt, deed of trust, and any and all similar instruments used for the purpose of encumbering real property in this Development as security for the payment or satisfaction of an obligation.

Section 1.21 Mortgagee shall mean and refer to a holder of a mortgage.

Section 1.22 Owner shall mean and refer to the record owner, whether one or more persons, of the fee simple title to a Lot located within the Development, and entitled to one vote per Lot as a member of the Thunder Ridge Property Owners Association, but excluding those having such interest merely as security for the performance of an obligation.

Section 1.23 Plat shall mean and refer to any plat (or as-built survey) depicting the Property filed in the County of Duchesne, State of Utah, as such Plat may be amended from time to time.

Section 1.24 Property shall mean and refer to the Property initially subject to this Declaration and any additional Real Property from time to time subject to these Covenants pursuant to the provisions of this Declaration.

Section 1.25 Recreational Facilities shall mean and refer to the recreational facilities or amenities owned by Declarant and located within the Property from time to time.

Section 1.26 Runway shall mean that property located in the subdivision used for the purpose of aircraft takeoffs and landings.

Section 1.27 Taxiway shall mean and refer to those right-of-ways radiating from the runway or otherwise as shown on the Plat for the purpose of providing access for aircraft to and from the runway.

Section 1.28 Aircraft port – similar to a carport except for use by aircraft comprising a structure with a roof and less than three walls from ground to roofline.

ARTICLE II The Association

Section 2.1 Dedication of Common Area. Declarant may hereafter convey to the Association certain parts of the property as Common Area intended for common use by the owners in Thunder Ridge Airpark. Such designated areas shall, upon conveyance, be dedicated to the common use and enjoyment of owners, and their families, guests, tenants, and invitees.

Section 2.2 Responsibility for Common Area. Subject to the rights of the owners set forth in this Declaration, the Association shall be responsible for the management and control of the Common Area dedicated under Section 2.1 above and all improvements in the Common Area (including equipment related thereto), and shall keep it in good, clean and attractive condition and repair consistent with the requirements of a first class residential and recreational community, pursuant to the terms and conditions of this Declaration.

Section 2.3 Membership. Every Owner, by virtue of being an Owner and for as long as he is an Owner, shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot. No Owner, whether one or more persons, shall have more than one membership per Lot owned, but all of the persons owning each Lot shall be entitled to rights of membership and of use and enjoyment appurtenant to such ownership. The combination of two or more original Lots will be considered a single Lot for membership and assessment purposes. The Articles of Incorporation and Bylaws of the Association may set forth additional classifications of membership, which Members may or may not be Owners.

Section 2.4 Classes of Membership and Voting Rights. Each Member shall be entitled to vote according to the By-Laws and according to the plat. When more than one person holds an interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as the Owners among themselves determine, and the Secretary of the Association shall be notified of such designation prior to any meeting. In the absence of such notification, the vote allocated to the Lot shall be suspended in the event more than one person or entity seeks to exercise the right to vote.

Section 2.5 Compliance with the Document. Each Owner shall abide by and benefit from the Provisions, Covenants, Conditions, and Restrictions contained in the Thunder Ridge Property Owners Covenants and Restrictions and Bylaws. A copy of the Association Rules in effect shall be distributed to each Member of the Association, and any change in the Association rules shall be distributed to each Member within a reasonable time following the effective date of any change.

Section 2.6 Rules and Regulations. The Association from time to time and subject to the provisions of the Thunder Ridge Airpark Documents, may adopt, amend and repeal rules and regulations, to be known as "Association Rules," governing, among other things and without limitations:

- a. The Use of Open Space,
- b. The Use of Private Roads,
- c. Collection and Disposal of Garbage and Trash,
- d. The Posting of Maximum Speeds for Vehicular Traffic and Other Traffic Rules,
- e. The Types of Vehicles and Times when any Vehicles (including Commercial Vehicles) may be permitted to use the roads within Thunder Ridge Airpark or any other area of the Property, and
- f. The Schedule of Fines for Infractions of the Association Rules or the Project Documents.

Section 2.7 Ownership of Personal and Real Property for Common Use. The Association, through action of its Board of Directors, may acquire, hold and dispose of tangible and intangible personal property and real property. The Board, acting on behalf of the Association, may accept any real or personal property, leasehold or other property interest within Thunder Ridge Airpark conveyed to the Association by Declarant.

Section 2.8 Assistance to Architectural Control Committee. The Association shall in all respects cooperate with and assist the ACC in the complete attainment of the ACC's functions, and the enforcement of its architectural guidelines, rules, regulations and decisions.

Section 2.9 Implied Rights and Obligations. The Association may exercise any other right or privilege given to it expressly by the Thunder Ridge Airpark Documents, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to the Association under this Declaration or reasonably necessary to effectuate any such right or privilege. The Association shall perform all of the duties and obligations imposed upon it expressly by the Thunder Ridge Airpark Documents, together with every other duty or obligation reasonably to be implied from the express provisions of the Thunder Ridge Airpark documents where reasonably necessary to satisfy any such duty of obligation.

Section 2.10 Bandanna Ranch CC&Rs. The Association recognizes that the Bandanna Ranch CCRs are also recorded with the lots in the County Clerk's Office of Duchesne County, Utah and are made a reference herein. The Thunder Ridge Airpark Documents include the provisions of the Bandanna Ranch CCRs and where more restrictive these additional regulations will govern the Association.

ARTICLE III Architectural Control Committee

Thunder Ridge Airpark is designed as a private residential community with strict architectural controls that allow aircraft owners and pilots convenient access to the runway. To insure that the property will be developed harmoniously and that consistency is maintained throughout the Development, an Architectural Control Committee will formulate, review and control a comprehensive landscape plan, street lighting, signs, fencing, parking and site improvements including structures of all types as set forth in the Architectural Guidelines and Rules.

The initial Architectural Control Committee shall consist of the Declarant or his designees. At such a time as at least 75% of lots 155 through 231 of the Chuckwagon phase of Bandanna Ranch have been sold, the "Declarant" shall relinquish the powers of the ACC to the Owner's Association. At that time, the members shall be appointed by the Board of Directors of the Owner's Association. The new ACC will promulgate such guidelines as may be necessary to implement the architectural review process not inconsistent with established practice. Any expenses incurred by the ACC will be paid for by the Association.

The Architectural Control Committee shall:

- a. regulate the external design, appearance, and location of the Properties and Lots and any improvements thereof.
- b. adopt architectural guidelines and programs consistent with covenants and restrictions.
- c. inspect for compliance with these guidelines.
- d. adopt procedures for the exercise of its duties.
- e. maintain complete and accurate records of all actions taken.

Notwithstanding anything to the contrary contained herein, the Architectural Control Committee or its designee shall be authorized to grant individual variances from any of the provisions of this Declaration, the Bylaws and any rule, regulation or use restriction promulgated pursuant thereto if it determines that waiver of application of enforcement of the provision in a particular case would not be inconsistent with the overall scheme of development for the community as long as such guidelines also meet the minimum standards established by the Bandanna Ranch CCRs.

ARTICLE IV Architectural Guidelines and Rules

Section 4.1 Land Use. All Lots shall be used for residential purposes only and common recreational purposes auxiliary thereto and for no other purpose except per Section 4.1.a. No lot shall be used as a right-of-way, street or road, or access to any property not included within the Properties of this Development without the written consent of the Declarant. Only one family may occupy a Lot as a principal residence at any one time. No structure, except as herein provided shall be erected, altered, placed or permitted to remain on any lot other than one (1) detached single family dwelling and such accessory buildings or hangar as shall be used in connection with the dwelling or residence. Such accessory buildings or hangar may not be constructed prior to the completion of the dwelling and then limited to a one year completion deadline unless waived by the ACC. Furthermore the accessory building or hangar shall comply with all other restrictions contained herein for the main dwelling, including, but not limited to, exterior requirements, setback lines and permanent foundations. A guest suite or a like facility without a kitchen may be included as part of the main dwelling or accessory building, but such suite may not be rented or leased except as part of the entire premises including the main dwelling. Furthermore, no airplane hangar, or any portion thereof, shall be used as a primary residence in any manner whatsoever.

- a. **Hangar and Tie Down Areas.** Declarant may from time to time dedicate a lot or lots to development activities compatible with the intent of the airport

including the right to develop parking areas, aircraft tie-downs, hangars, and related facilities.

- b. **Hangar Leases.** Declarant reserves the right to transfer the lot(s) and any structures and homeowners leases of hangars to the Association.

Section 4.2 Partitions or Combination of Lots. No Lot shall be subdivided or its boundary lines changed except with prior written approval of the Declarant. Declarant, however, hereby expressly reserves the right to replat any Lot or Lots. Declarant's consent shall be conditioned upon payment by the Owner or Owners concerned of all expenses incident to giving the consent, including legal and accounting fees. Every agreement and recorded instrument for combination of Lots shall make adequate provisions for the adjustment of voting rights and liability for payment of assessments appurtenant to or imposed upon such Lots. Whether combined or unchanged, each Lot shall be conveyed, transferred, gifted, devised, bequeathed, encumbered or otherwise disposed of, as the case may be, with all appurtenant rights and interests created by law or this Declaration, including the membership in any association and all the rights thereof.

Section 4.3 Commercial Businesses Prohibited. No commercial business of any type shall be permitted; This will not exclude any home office or the leasing or sale of hangars on Declarant's lots. Customers for the purpose of serving a home office are allowed. The homeowners' association retains the right to limit customers if deemed a nuisance. Also, this should not exclude work done on non-owned aircraft so long as such work is done inside a hangar and the completed aircraft conforms with all requirements as set forth in these covenants. No one can allow the use of the airport or runway for commercial activity or for self-enterprise. Notwithstanding, the Declarant from time to time is permitted during the development phase to invite prospective buyers of lots or aviation related businesses, clubs, or organizations to "fly-ins" for the purpose of promoting the sale of Lots. During these events, guest aircraft registration requirements are waived.

Section 4.4 Common Area. The Common Area shall be owned by the Association and no Owner shall bring any action for partition or division of the Common Area by acceptance of a deed or other instrument of conveyance or assignment, each Owner shall be deemed to have specifically waived such Owner's right to institute or maintain a partition action or any other action designed to cause a division of the Common Area, and this section may be pleaded as a bar to any such action. Any owner who shall institute or maintain any such action shall be liable to the Declarant or the Association, and hereby agrees to reimburse the Declarant or the Association for its costs, expenses and reasonable attorney's fees in defending any such action.

Section 4.5 Architectural Control. No dwelling unit, hangar or other building shall be erected, placed or altered on any Lot until the plans for each showing locations of the units on the Lot and the landscaping plan for the Lot have been submitted to and approved by the Architectural Control Committee. Such plans shall be reviewed as to quality of workmanship and materials, harmony of external design with existing dwelling units and hangars, and as to location with respect to topography and finish grade elevation, and both house, hangar and other buildings shall be of similar architectural design, before being approved by Architectural Control Committee or its successor or assigns. No home, garage, hangar or other building may be constructed on any lot unless such work meets all County Codes then in existence.

Section 4.6 Dwelling Size. Each single family dwelling on a Lot shall have a heated square foot area of 1200 minimum. No dwelling unit shall be permitted on any Lot that has a ground floor area of the main structure, exclusive of porches, patios, hangars and garages of less than 800 square feet on the first floor for one and one-half story, split-level, and two story dwellings. If a

dwelling incorporates a basement, such basement shall not be considered a "level" or "story" and the level of the dwelling immediately above the basement shall be considered the "first level" or "first story" of such dwelling.

Section 4.7 Location. In order to assure that all structures will be located with regard to the topography of each individual Lot, taking into consideration the elevation contours of the Lot, the location of adjoining dwellings, and similar considerations, the Declarant or the ACC reserves unto itself, its successors and assigns, the right to control absolutely and solely to decide the precise site and location of any structure, improvements, and utilities upon all Lots and every Lot within the Development; provided, however, that such location shall be determined only after reasonable opportunity is afforded the Owner to recommend a specific site, and in any event all buildings (including eaves, decks, patios and steps) shall be constructed beyond the minimum setback lines.

Section 4.8 Structure Material. Unless specifically otherwise approved in writing by the ACC, all structures constructed or placed on any Lot shall be built of substantially new materials and no used structures shall be relocated or placed on any such Lot. No dwelling shall have an exterior surface composed of asbestos siding, exposed concrete block, cinder block, aluminum or vinyl siding, or other similar material unless specifically allowed.

Section 4.9 Kind of Home. No mobile or manufactured homes of any kind, or any home having the same general appearance, shall be permitted on any Lot. No building or structure of a temporary nature: trailer, tent, shack, etc shall be erected or maintained on any Lot for more than 7 out of 21 consecutive days prior to or after construction completion of a home. During construction, one temporary structure is allowed but must be removed within 15 days after completion of the home or within 12.5 months of start of construction whichever comes first. Furthermore, no building shall be permitted on any Lot unless it is erected on a solid foundation from the ground level to the first floor level.

Section 4.10 Driveways. Driveways shall be constructed of gravel, concrete, brick or other suitable surface with a minimum thickness and compaction to adequately support vehicles as to prevent mud and debris from being carried to the roads by these vehicles or by water drainage. If any driveway is to cross a drainage ditch, the Owner will be required to install, at his own expense, all necessary culverts and coverings prior to the commencement of any other construction on the Lot.

Section 4.11 Drainage. No owner shall do or permit any work, construct any improvements, place any landscaping or suffer the existence of any condition whatsoever which shall alter or interfere with the drainage pattern of the Property, except to the extent such alteration and drainage pattern is approved in writing by the Declarant, and except for the rights reserved to Declarant to alter or change the drainage patterns.

Section 4.12 Continuity of Construction. All structures approved by the ACC must be completed insofar as the exterior finish is concerned within 12 months from the date of start of construction for said structure. The ACC may waive this requirement if construction delays have been caused by strikes, war, fire, or acts of God rendering the completion of construction within such time impossible. All improvements commenced on the Property shall be prosecuted diligently to completion and shall be completed within 12 months of commencement, unless an exception is granted in writing by the ACC. If an Improvement is commenced and construction is then abandoned for more than ninety (90) days or if construction is not completed within required

12 month period, then after notice and hearing as provided in the By-Laws, the ACC may impose a fine on the Owner of the Lot.

Section 4.13 Reconstruction. Any building on any Lot which is destroyed in whole or in part by fire, windstorm, flood or other Act of God must be rebuilt, or all debris from such building removed and the Lot restored to the condition it was in prior to commencement of construction of such building with reasonable promptness; provided, however, that any such reconstruction must be commenced within 3 months from the date of such destruction or if no reconstruction is to occur, then all such debris must be removed and the Lot restored to its prior condition within 2 months of such destruction.

Section 4.14 Construction Traffic. Construction traffic is prohibited on the common area runway, and tie down areas. The failure of a lot owner to prevent construction traffic associated with his lot from entering upon the common area runway, and tie down areas shall make that Lot owner liable for any necessary repairs caused by construction traffic upon these areas. Lot owners shall specifically include a clause in their construction contracts prohibiting contractor equipment from entering upon the common areas, runway, and tie down areas.

Section 4.15 Hangar and Outbuilding Specifications. Each Lot may have one hangar for the storage of private aircraft and one outbuilding or a combination of a maximum of two. Each hangar or outbuilding erected, constructed or maintained upon any lot shall be fully enclosed permanent structures and shall not exceed 3600 interior square feet on the ground floor, which size shall include any space allocated for workshop, restroom facilities, storage area or any other purpose. Hangars and Outbuildings must be compatible with the adjoining dwelling unit and will be subject to ACC approval and architectural controls. A hangar or outbuilding facing the runway must be at least 200 feet from the centerline of the runway and must conform to Section 8.1. No hangar or outbuilding shall be erected nearer than 25 feet from side Lot lines nor nearer than 100 feet from Lot lines facing taxiways. The structure may be built before the dwelling house only when permitted in writing by the Architectural Control Committee but substantial completion of the dwelling house insofar as the exterior finish is concerned must be accomplished within 12 months from date of issuance of building permits for hangar or outbuilding structure. Any change from the above specifications will require written permission of the ACC.

ARTICLE V Restrictions and Covenants

Section 5.1 Failing to Comply. In the event the owner of any lot shall fail to comply with any of the below mentioned criteria, or fails to maintain the premises and the exterior of the improvements situated thereon, or permits litter and debris to accumulate on his lot, or allows hedges or other plantings to obscure the view of the street traffic, or fails to comply with any other reasonable fire preventive requirements, the Declarant, through its agents and employees, shall have the right to enter upon such premises and to repair, maintain, rehabilitate and restore the exterior of any improvements situated thereon and/or clean or clear any lot of debris, or take any other steps necessary to remove litter and debris, however, the Declarant, or its agents, shall first give written notice to the owner of said lot of its intention to make such repairs or of its intention to perform such clearing, maintenance or rehabilitation work, affording the owner of said lot 30 days in which to make said necessary repairs, maintenance, or clearing work. If at the end of this period the work to be performed has not been done by the owner, then the Declarant, or its agents, shall have the right, as set forth herein, to make such repairs, etc. Nothing herein contained shall be construed to grant to the Declarant or its agents, any right to enter into or inside of any building located on any lot without the consent of the owner thereof. Any costs

incurred by the Declarant, or its agents, in enforcing and carrying out of the performance of this paragraph shall be charged against the owner of said lot, and a lien may be created on said lot until the Declarant, or its agents, has been paid in full for all costs incurred.

Section 5.2 Maintenance. All Owners shall keep their Lots, whether occupied or unoccupied, free of all, trash, rubbish, and debris and keep all Lots in a neat and attractive condition. All improvements erected on Lots shall be maintained in a clean neat and orderly condition and in a good state of maintenance and repair.

Section 5.3 Sewage. No discharge, overflow, or accumulation of sewage effluent from any septic tank, drain field or other similar container shall be permitted to exist on any Lot.

Section 5.4 Toxic Disposal Prohibited. Disposal on the site of any substances considered toxic or environmentally sensitive is expressly prohibited. Disposal of any substances contaminating the ground water of this subdivision or the surrounding area is prohibited. These substances include, for example, but are not limited to, paints, solvents, cleaning fluids, paint strippers, fuel and oil.

Section 5.5 Unsightly Materials Prohibited. No rubbish, garbage, debris, junk, junk vehicles, or unsightly material shall be deposited on any of the lots at any time except building material during the course of construction on the site. All rubbish, waste, or garbage shall be kept in sanitary containers, and shall be removed from the premises at least once a week. Under no conditions shall the use of incinerators or burning be allowed on this property except during the construction phase. Neither dismembered aircraft parts nor non-operative aircraft are to be left about the premises.

Section 5.6 Hazardous Activities. Nothing shall be done or kept on any Lot or in the Common Area which will increase the rate of insurance on the Common Areas or any other Lot without the prior written consent of the Declarant or the Association. No Owner shall permit anything to be done or kept on his Lot or in the Common Areas which would result in the cancellation of insurance on any part of the Common Areas, or which would be in violation of any law.

Section 5.7 Nuisance. No noxious or offensive activity shall be conducted upon any Lot or in any dwelling nor shall anything be done thereon or therein which may be or may become an annoyance or nuisance to the neighborhood.

Section 5.8 Outside Toilets. Outside toilets or privies are expressly prohibited, except where required for construction purposes.

Section 5.9 Wall Hangings. An Owner shall not cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors, balconies or windows of his Dwelling or exterior buildings which may adversely affect the appearance of Thunder Ridge Airpark without the prior written approval of the Architectural Control Committee.

Section 5.10 Other Objects. In order to control the overall appearance of the community, no unsightly constructions shall be erected so as to be visible from any roadway or adjoining property, unless approved in advance by the ACC.

Section 5.11 Animals. The following are strictly prohibited: commercial breeding or feeding of horses, cattle, goats, hogs, sheep or poultry; the operation of a commercial dairy; dog boarding kennel or veterinary hospital; and the operation of a commercial livery or boarding stable for

horse; or a riding academy; and the keeping of any hog or milk cow. It is understood, however, that this restriction shall not prohibit the keeping of a limit of six (6) horses or three (3) domestic animals (canine or feline) for family pleasure, provided that animals must be restrained by fence or other appropriate protective restraint. All appropriate measures must be taken by the lot owner to eliminate and prevent offensive odors and any unsightly accumulations from said animals. Noisy animals, such as incessantly barking dogs, must be controlled by their owners. No pet shall be permitted outside of its owners Lot unless attended by an adult or child of more than ten (10) years of age and said pet must be on a lease of reasonable length. At no time are any unattended animals or pets allowed on the runway or taxiway easements.

Section 5.12 Noise. No Owner shall make or permit any disturbing noises on their Lot by himself or his family, servants, employees, agents, or visitors, nor permit any conduct by such persons that will interfere with the rights, comforts or convenience of other Owners. There shall be no discharging of firearms or fireworks on the premises.

Section 5.13 Electronic Equipment. No electronic equipment may be permitted in or on any Lot interfering with the television or radio reception of another Lot.

Section 5.14 Satellite Dish. No awning, canopy, shutter, enclosure, antennae projecting above roofline more than 10 feet, large satellite dish or other projection shall be attached to or placed upon the outside wall or roof of any structure or on the Lot, except by the approval of the Architectural Control Committee. Small, inconspicuous satellite dishes of less than three feet in diameter will be most compatible and are permitted

Section 5.15 Vehicles and Parking. Carports and aircraft ports are prohibited. No owner's vehicles shall be parked on any street. No vehicle of any kind such as trucks, cars, campers, trailers, motor homes, boats, or other recreational vehicles may be parked for more than 21 days in any 30 day period prior to start of construction of a home or outbuilding on the lot. No more than three in aggregate of a car, truck, boat, motor home, travel trailer, or other recreational vehicle may be stored overnight unless in an outbuilding. Commercial vehicles are not permitted to be parked overnight except during construction and must be parked in an outbuilding after home construction completion. Furthermore, no wrecked or junked motor vehicles or vehicles without a current license plate and registration shall be placed upon the premises unless in an enclosed garage. No motor vehicle or aircraft of any kind shall at any time be parked or tied down on any of the taxiways, overruns, roadways or rights-of-way, except as permitted by the ACC in writing.

Section 5.16 Fuel Storage. No bulk storage of flammable, combustible or explosive fluids, chemicals or substances shall be allowed in any Dwelling, or on any Lot, or on the Common Areas, except that small quantities of fuels used for common activities such as lawn mowing, BBQ grills and other like activities may be kept when stored in a manner which minimizes the risk of fire or explosion. Lot Owners may store bulk quantities of fuels used for aviation purposes only in hidden areas or approved by the ACC and conforming to all building codes.

Section 5.17 Fences and Hedges. All fencing shall be composed of materials other than metal, except that chain link fence may be allowed if the fence is built in such a way that it is not visible from any road, runway, taxiway, or other Lots in the Development, and in no event shall exceed five (5) feet in height. Decorative fences (meaning wooden or vinyl fencing, split-rail fencing or wooden fencing which has holes in the posts with wood rails running from post to post) and hedges, no more than 60 inches in height, are permitted. No fencing of any kind is allowed on any easement, taxiway, or runway. Barbed wire is specifically prohibited.

Section 5.18 Signs. No signs of any character shall be erected, pasted, posted, or displayed upon or about any Lot or part of any Lot, or common Area, without the written permission of the ACC. The ACC shall have the right in its sole discretion to prohibit or to restrict and control the size, construction, material, wording, location and height of all signs and may summarily remove and destroy all unauthorized signs. Declarant and Lot owners, however, may post temporary "For Sale" or "For Rent" signs on the Properties on any Lot. All signs must be professionally lettered, and may not contain the price of the house or lot. Furthermore, signs used by a builder during construction or informational signs by the Declarant shall be allowed.

Section 5.19 Clothes Lines. No clothing, laundry, or wash shall be aired or dried on any portion of the Lots in an area with a substantial exposure to view from any other Lot or street. Drying areas are permitted only when substantially protected from view

Section 5.20 Flag Poles. Flag Poles are permitted, provided the pole is not more than 15 feet in height, unless otherwise approved by the Architectural Control Committee.

Section 5.21 Antennas. Radio or television aerial or antenna or any other external electronic equipment or devices shall be subject to FAA and FCC regulations concerning obstructions placed in the vicinity of airports.

Section 5.22 Outdoor Lighting. One or more hospitality light standards, may be located within the front yard of any Owner's property. Any outdoor lighting positioned and installed by a lot owner shall be of such a nature and type so as not to present a hazardous or confusing condition to night air operations which may be conducted from said airport and be shaded so as not to create a nuisance to any other lot owner.

Section 5.23 Access. There shall be no overland vehicular access to any Lot except from designated roads and taxiways lying within the Common Areas. The Declarant, its agents or employees shall have access to each Lot from time to time during reasonable working hours, as may be necessary for the maintenance, repair or replacement of any portion of the Common Areas, or facilities situated upon such Lot which serve another Owner's Lot. The Declarant or its agent shall also have access to each Lot at all times without notice as may be necessary to make emergency repairs to prevent damage to the Common Areas or another Lot.

Section 5.24 Amendments to Regulations. Reasonable regulations governing the use of the Common Areas and external appearance of all structures erected on the Lots may be made and amended from time to time by the Declarant or the Architectural Control Committee; provided, however, that all such regulations and amendments thereto shall be approved by a majority vote of the Directors of the Owners Association before the same shall become effective.

ARTICLE VI Aircraft & Hangar Restrictions, and Parking

Section 6.1 Hangar & Tie-Down Space for Private Use Only. The airplane hangar or tie-down space on each lot shall be limited to strictly private use and only by the owner of the property on which the hangar or tie-down space is located except as permitted herein. No person who is not a Lot Owner shall be permitted to store, tie-down, or hangar any aircraft on Thunder Ridge Airpark property without the express written permission of the Association as allowed herein. The Board of Directors will have the authority to specify the terms and conditions under which a non Lot Owner's aircraft may be stored, hangared or tied down.

Section 6.2 Aircraft Hangars. All hangars are subject to the Architectural Control Committee approval, and must be architecturally compatible with the primary structure on the Lot. Hangars may be detached from or attached to a primary structure in accordance with local building regulations.

Section 6.3 Two or More Aircraft. Lot owners are allowed a maximum of two aircraft that can be parked on each lot and on the common area facilities as long as each aircraft is registered with the Association. Two additional guest aircraft are allowed overnight so long as the above conditions are adhered to and the guest aircraft conform to the registration requirements of 6.12. Until a dwelling or outbuilding is under construction, no aircraft shall be tied down for more than 21 out of 30 consecutive nights on the lot unless approved by the ACC. The tied-down aircraft must be in airworthy condition as defined by current Federal Aviation Regulations (FAR's) except as permitted by the Board of Directors in writing.

Section 6.4 Unattended and Unallowed Aircraft. No aircraft shall be parked on any part of the runway, taxiway, easements, or in common areas not specifically approved for that aircraft. Further, all aircraft at all times within Lots shall be securely tied down unless in a hangar. If more than the maximum permitted aircraft are found at the Airpark, the Board of Directors or its agents may, but are not obligated to have removed at the expense of the Owner, said aircraft or fine the homeowner \$100 per day per aircraft until removed.

Section 6.5 Run-ups. "Run-ups" and testing of engines within residential areas, taxiways, and tie-down areas should be limited to the hours of 8:00 am and 6:00 pm. Run-ups are permitted on the runway at all hours. But in any event the "run-up" shall not be done in such a manner as to cause inconvenience or damage to the property of others.

Section 6.6 Stunt Flying. No low-level flying stunts or other hazardous activities will be permitted about the subdivision. Each Owner is required to strictly observe all Federal, State, and Local Statutes, Regulations or Ordinances relative to the operation of civil aircraft.

Section 6.7 Aircraft Size. No aircraft with gross weight exceeding 10,000 lbs. and no jet aircraft may operate on the taxiways, easements, or runways without written permission of the ACC. The aircraft owner's manual specifications will be the source of the aircraft weight, and if no copy of the owner's manual is available, "Jane's Encyclopedia of Aviation" or equivalent reference manual may be used.

Section 6.8 Speed Limits. Aircraft shall taxi at less than 15 miles per hour on all taxiways. Pilots are cautioned to avoid increasing engine RPM to high levels as part of our noise abatement program and to avoid blowing sand and dirt on following aircraft and in residential areas.

Section 6.9 Taxiway Courtesy. Moving aircraft shall have the right of way at all times. Automotive traffic must yield at all taxiways crossings and on dual-purpose streets. No taxiways other than those designated by Declarant as combination street/taxiways shall be used by any vehicle other than aircraft or aircraft service vehicles, unless pursuant to a valid access permit granted by the Association. No aircraft shall have a right of way on taxiways, and all aircraft on taxiways must anticipate use of passing areas for approaching aircraft.

Section 6.10 Commercial Business. No commercial aircraft business shall be permitted on a Lot. This should not exclude work done on non-owned aircraft so long as such work is done

inside a hangar and the completed aircraft conforms to all requirements as set forth in these covenants.

Section 6.11 Storing Parts. There shall be no storage of dismantled or disabled aircraft on the Lots or the Common Areas. Aircraft being repaired and aircraft parts must be kept within an enclosed hangar building approved by the Architectural Control Committee. Parts of aircraft, including but not limited to, fuselages, wings, engines, horizontal and vertical stabilizers, ailerons, rudders, landing gear and spare parts may not be stored in yards where visible from the street, taxiway, or adjoining lots, but must be stored inside the hangar or other building approved by the ACC.

Section 6.12 Runway Rights. Each Lot Owner shall have access rights for up to two aircraft to use the runway, tie-down, and other common area facilities by registering each with the Association. Lot Owner's are allowed landing rights for two guest aircraft on the property at a time. A guest aircraft is allowed landing rights for a maximum of 14 out of any 21-day period. This permission is granted only if the guest aircraft is registered with the Association at least 2 days in advance of each arrival. Additional owner or guest aircraft are not allowed without obtaining special permission by the Association.

Section 6.13 Tie-Down Rights. Parking at tie-down locations on Declarant's lots and common areas dedicated to aircraft and vehicle parking is limited to 3-day maximum stay.

ARTICLE VII Runway Assurances and Operations

Section 7.1 Continued Operation. Inasmuch as Thunder Ridge Airpark subdivision is developed for individuals involved in the sport and hobby of aviation, every purchaser, lessee or grantee of any property now or hereafter subject to this declaration, by acceptance of a deed, lease or other conveyance thereof, thereby agrees that, the runway and taxiway shall remain and be maintained as such until such time as 80% of the Lot owners and the Declarant consent to its dissolution or its operation is interrupted or terminated by local, state or federal authorities. The Declarant warrants that the runway in existence on the property as of this date will continue to be operated as such.

Section 7.2 Complaints. As this is an aviation community, owners understand, and agree, that lot owners, their heirs, or assigns relinquish any right to complain, object, or take any legal remedies to stop aviation related activities in the Development.

Section 7.3 Control of Runway. The Board of Directors, the Runway Operations Officer, or the Declarant shall have the right to control the use of the runway and taxiway and may prohibit the use of the runway or taxiway by any aircraft deemed unsafe to either the life or health of individuals or the condition and maintenance of the field by virtue of its size, design or state of repair.

Section 7.4 Control of Airport Grounds and Operation. The Board of Directors shall have the right to make rules and regulations relative to the easements, taxiway, runway, air traffic patterns around the airport, grounds and related facilities, affecting the use of said premises, and all lot owners agree to comply with said rules and regulations and are subject thereto, including any such rules and regulations that may be added from time to time.

Section 7.5 Withholding of Use. The Declarant or the Association shall have the right to withhold from, restrict, or charge an individual assessment for the use of the Common Area, including the runway, to any Owner:

- a. who is in default in the payment of any assessment fee; or
- b. who, in the judgment of the Declarant or the Owners Association, uses the Common Areas or his aircraft in a negligent manner or in a manner harmful to the rights of other users; or
- c. who, in general, violates the published rules and regulations of the Association.

Section 7.6 Limitation of Declarant's Obligations. It is expressly understood and agreed that the establishment of the Common Areas or the declaration of these restrictions does in no way place a burden of affirmative action on the Declarant to make any of the improvements noted herein, or extend to the grantee any service of any kind.

ARTICLE VIII Easements and Setbacks

Section 8.1 Setback Requirements. No house or building may be constructed within 75 feet of the centerline of any designated street. For all lots, the setback line is 25 feet from any side lot line for hangars and other freestanding buildings and 25 feet from any side lot line for houses. A clear zone easement 200 foot from the center of the runway and 100 foot from the center of the taxiways shall be established where no aircraft may be parked; no trees or other obstacles are allowed in this area. A 5-foot easement along all sides of all lots and along all sides adjoining any designated street is reserved for underground utility and or drainage purposes. The established setbacks may be varied by the ACC following prescribed methods.

Section 8.2 During Construction. During the development period, the Declarant or its agent reserves a blanket easement and right on, over and under the ground within the Property to maintain and to correct drainage of surface water in order to maintain reasonable standards of health, safety and appearance. Such right expressly includes the right to cut any trees, bushes or shrubbery, make any grading of the soil, or to take any other similar action reasonably necessary, following which the Declarant or its agent shall restore the affected property to its original condition as near as possible. The Declarant or its agent shall give reasonable notice of intent to take such action to all affected Owners, unless, in the opinion of the Declarant or its agent, any emergency exists which precludes such notice. The Declarant or its agent, however, in the exercise of such easement rights shall not disturb any living dwelling or other substantial improvement upon any property.

Section 8.3 Maintenance. In order to implement effective insect and woods fire control, the Declarant reserves for itself and its agents the right to enter upon any lot on which a residence has not been constructed and upon which no landscaping plan has been implemented (with prior written approval of the ACC for such plan), such entry to be made (at the expense of the Owner of the Lot) by personnel with tractors or other suitable devices for the purpose of mowing, removing, clearing, cutting or pruning underbrush, weeds, or other unsightly growth, which in the opinion of the Declarant detracts from the overall beauty, setting and safety of the Property. Such entrance shall not be deemed a trespass. The Declarant and its agents may likewise enter upon such land to remove any trash collected on such Lot without such entrance and removal being deemed a trespass. The provisions in this paragraph shall not be construed as an obligation on the

part of the Declarant to mow, clear, cut or prune any lot nor to provide garbage or trash removal services.

ARTICLE IX Insurance

Section 9.1 By the Declarant or Association. The Declarant or Association or its duly authorized agent shall have the right and power to obtain insurance to the extent reasonably available for all improvements on the Common Areas against loss or damage in an amount sufficient to cover 100 percent (100%) of the replacement cost of any repair or reconstruction work in the event of damage or destruction from any reasonable hazard. The Declarant may also obtain a broad form public liability policy covering all Common Areas. In the event of damage or destruction to property insured by the Declarant by fire or other casualty, the Declarant or its agent shall, upon receipt of the insurance proceeds, contract to rebuild or repair such damaged or destroyed portions of the property to as good a condition as formerly enjoyed. In the event the insurance proceeds are insufficient to pay all costs of repairing or rebuilding of such destroyed improvement, the Declarant or its agents shall levy a special assessment against all Owners to make up such deficiency. In the event the insurance proceeds exceed the cost of repair, the excess proceeds shall be distributed to the respective Owners and Mortgagees as their interests appear.

Section 9.2 Liability Insurance by Declarant or Association. The Declarant or Association shall have the right and power to obtain a comprehensive policy of public liability insurance insuring the Association and its Members for all liability for property damage, bodily injury or death in connection with the operation, maintenance and use of the Common Area within Thunder Ridge Airpark Properties.

Section 9.3 By the Owner. It shall be the individual responsibility of each owner to provide, as he sees fit, insurance on the improvements on his Lot in the event of damage or destruction from all reasonable hazards. Each Owner shall provide as he sees fit homeowners liability insurance, theft and other insurance covering personal property damage or personal liability loss.

Section 9.4 Aircraft Liability Insurance. Every Owner or user of a certified aircraft, experimental aircraft or ultra-light vehicle that is based on the Property shall have aircraft liability insurance before they can use the runway.

ARTICLE X Right of First Refusal

Section 10.1 Death of an Owner. The personal representative, heirs, successors and assigns of any Owner who dies while owning any Lot shall become an Owner subject to the terms and conditions of this Declaration and any subsequent sale, transfer, and conveyance of such Lot shall be governed by the provisions of this Article X.

ARTICLE XI Maintenance Assessments

Section 11.1 Creation of the Lien and Personal Obligation for Assessments. Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot, by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed, is deemed to covenant and agree to pay to the Association:

- a. Annual assessments or charges as provided in this Declaration for the purpose of funding the maintenance fund.
- b. Special assessment for capital improvements and other purposes as stated in this Declaration; such annual and special assessments to be fixed, established and collected from time to time as provided below.
- c. Default assessments which may be assessed against an Owner's Lot pursuant to the Thunder Ridge Airpark Documents for failure to perform an obligation under the Thunder Ridge Airpark Documents or because the Association has incurred an expense on behalf of the Owner under the Thunder Ridge Airpark Documents. The annual, special and default assessments, together with interest, costs and reasonable attorney's fees, shall be a charge upon the land and shall be a continuing lien upon the Lot against which each such assessment is made until paid. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the Owner of such Lot at the time when the assessment fell due.

Section 11.2 Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the Owners and occupants of Thunder Ridge Airpark and for the improvement and maintenance of the Common Area, including but not limited:

- a. keeping the Common Areas clean and free from debris and to maintain any amenities located thereon in a clean and orderly condition, to maintain the landscaping thereon in accordance with the highest standards for private parks including any necessary removal and replacement of landscaping, and to repair, replace, and provide for additions to the improvements as stated in the Thunder Ridge Airpark Documents.
- b. paying all taxes, if any, levied against the Common Areas and any properties owned by the Association.
- c. installing and maintaining any light fixtures along roads and streets in the Development to provide street lighting therefore, as may be approved by the Association.
- d. erecting and maintaining entrance signs at the entrances to the Development and signs on the Common Areas, said signs to be of standard construction and quality.
- e. paying the premiums on all hazard insurance carried by the Association on the Common Areas and all public liability insurance carried by the Association pursuant to the By-Laws.
- f. providing such security services as may be deemed reasonably necessary for the protection of the Common Areas from theft, vandalism, fire and damage from animals.
- h. providing such garbage removal services as may be approved by the Association for all Lots.

Section 11.3 Date of Commencement of Annual Assessment; Due Dates. Upon the sale of a Lot by Declarant to a new Owner, the annual assessments shall commence as to that Lot on the first day of the month following the conveyance of the Lot to the new Owner. In that case, the first annual assessments shall be prorated according to the number of months remaining in the calendar year. The initial assessment shall be 300 Dollars per Lot. Upon the platting and recordation of a Lot by Declarant, the annual assessments shall commence as to that Lot on the first day of the month following platting and recordation.

Section 11.4 Calculation and Apportionment of Annual Assessments. The Board of Directors shall prepare a budget by April 15 of each year estimating its net cash flow requirements for the next year and an estimate of the assessments to be charged each Owner, and the Board shall distribute the proposed budget to the Owners. On or before April 30 of each year, the Board shall approve the budget in final form and shall determine, levy and assess the Association's annual assessments for the approaching year. Each budget shall include funds for establishing and maintaining reserves for periodic repairs, replacement and maintenance of any improvements on the open space and Common Area which must be replaced on a periodic basis, and for taxes, capital improvements, deficiencies for the prior years capital improvement and maintenance fund and other purposes, and shall include any expected income and surpluses from the prior year's fund.

Section 11.5 Special Assessments. In addition to the annual assessments authorized in Section 11.1 above, the Board of Directors may levy in any fiscal year one or more special assessments for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, repair or replacement of a described capital improvement on the open space or Common Area, including the necessary fixtures and personal property related thereto, or to make up any shortfall in the current year's budget. Notice of the amount and due dates for each special assessment must be sent to each Owner at least (30) days prior to the due date.

Section 11.6 Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots, except that the Board may provide for a reduced assessment to be paid by those Lot Owners whose property is undeveloped; provided, however, that the Owners of undeveloped Lots are assessed on a uniform basis. All payments shall be applied first to costs, then to late charges, then to interest and then to delinquent assessments.

Section 11.7 Owner Liability. No Owner may waive or otherwise exempt himself from liability for the assessments provided for herein, including, by way of illustration, but not limitation, abandonment of the Lot. No diminution or abatement of any assessment shall be claimed or allowed by reason of any alleged failure of the Association to take some action or perform some function required to be taken or performed by the Association under this Declaration or the By-Laws or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken by the Association to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority, the obligation to pay assessments being a separate and independent covenant on the part of each Owner.

Section 11.8 Default Assessments. All monetary fines assessed against an Owner pursuant to the Association documents, or any expense of the Association which is the obligation of an Owner or which is incurred by the Association on behalf of the Owner pursuant to the Association documents, shall be a default assessment and shall become a lien against such Owner's Lot which may be foreclosed or otherwise collected as provided in this Declaration.

Notice of the amount and due date of such default assessment shall be sent to the Owner subject to such assessment at least thirty (30) days prior to the due date.

Section 11.9 Effect of Non-payment of Assessment; Lien; Remedies of Association. Any Association installment, whether pertaining to an annual, special or default assessment, which is not paid within thirty (30) days of its due date shall be delinquent. In the event that an assessment installment becomes delinquent, the Association, in its sole discretion may take any or all of the following actions:

- a. Enforce a Late charge as provided in Section 8.2 (h) of the By-Laws.
- b. Assess a late charge of at least 15% per delinquency.
- c. Assess an interest charge from the date of delinquency at the rate per annum of 2 points above the prime rate charged by the Association's bank or such other rate as shall have been established by the Board of Directors.
- d. Suspend the voting rights of the Owner during any period of delinquency.
- e. Accelerate all remaining assessment installments for the fiscal year in question so that unpaid assessments for the remainder of the year shall be due and paid at once.
- f. Bring legal action against any owner personally obligated to pay the delinquent installments.
- g. File a statement of lien with respect to the Lot, and foreclose as set forth below:

The Association may file a statement of lien by recording with the Clerk of Court's office of Duchesne County, Utah, a written statement with respect to the Lot, setting forth the name of the Owner, the legal description of the Lot, the name of the Association, and amount of the delinquent assessments then owing, which statement shall be duly signed and acknowledged by the President or Vice-President of the Association or by the Manager, and which shall be served upon the Owner of the Lot by mail to the address of the Lot or at such other address as the Association may have in its records for the Owner. Thirty (30) days following the mailing of such Notice, the Association may proceed to foreclose the statement of lien in the same manner as provided for foreclosure of mortgages under the statutes of the State of Utah. Such lien shall be in favor of the Association and shall be for the benefit of all other Owners. In a foreclosure action, the Association shall be entitled to recover as a part of the action the interest, costs and reasonable attorney's fees with respect to the action. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot. The remedies herein provided shall not be exclusive and the Association may enforce any other remedies to collect delinquent assessments as may be provided by law.

Section 11.10 Successor's Liability for Assessments. In addition to the personal obligation of each Owner to pay all assessments thereon and the Associations' perpetual lien for such assessments, all successors to the fee simple title of a Lot, except as provided in Section 11.11 below, shall be jointly and severally liable with the prior Owner or Owners thereof for any and all unpaid assessments, interest, late charges, cost, expenses and attorney's fees against such Lot without prejudice to any successor's right to recover from any prior Owner any amounts paid by such successor. The liability of a successor shall not be personal and shall terminate upon

termination of such successor's fee simple interest in the Lot. In addition, such successor shall be entitled to rely on the statement of the status of the assessments issued by or on behalf of the Association under Section 11.14 below.

Section 11.11 Subordination of the Lien. The lien of the assessments provided for in this Declaration shall be subordinate to the lien of any first mortgage. The lien of the assessments shall be superior to and prior to any homestead exemption provided now or in the future by laws of the State of Utah. No sale or transfer of any Lot pursuant to a decree of foreclosure or by a Public Trustee's foreclosure or any other proceeding or deed in lieu of foreclosure for the purpose of enforcing a first mortgage shall extinguish the lien of such assessments as to installments which become due prior to such sale or transfer, and the amount of such extinguished lien may be reallocated and assessed to all Lots as a common expense at the direction of the Board of Directors. No sale or transfer shall relieve the purchaser or transferee of a Lot from liability for, nor the Lot from the lien of any assessments made after the sale or transfer.

Section 11.12 Notice of Action. Any First Mortgagee which makes a prior written request to the Secretary of the Association and furnishes its name and address in the legal description of the Lot in which it has an interest to the Secretary shall be entitled to timely written notice of any delinquency in payment, special or default assessment levied against the Lot encumbered by its first mortgage. In addition, any such First Mortgage shall be entitled to cure such delinquency and obtain a release from the lien imposed or perfected by reason of such delinquency.

Section 11.13 Exempt Property. All utility easements, the open space and Common Area portions of the property shall be exempt from the assessments, charges and liens created under this Declaration.

Section 11.14 Statement of Status of Assessments. Upon ten (10) days written notice to the Treasurer of the Association or the Manager and payment of a reasonable fee set by the Association from time to time, any Owner, prospective purchaser or mortgagee of a Lot shall be furnished a statement of the account for such Lot setting forth:

- a. The amount of any unpaid assessments (whether annual, special or default assessments), interest, late charges, costs, expenses and attorney's fees then existing against a particular Lot,
- b. The amount of the current periodic installments of the annual assessments and the date through which they are paid,
- c. Any other information deemed proper by the Association. The information contained in such statement when signed by the Treasurer or Manager, shall be conclusive upon the Association as to the person or persons to whom such statement is issued and who rely upon it in good faith.

Section 11.15 Failure to Assess. The omission or failure of the Board to fix the assessment amounts or rates or to deliver or mail to each Owner an assessment notice shall not be deemed a waiver, modification or release of any Owner from the obligation to pay assessments. In such event, the Owner shall continue to pay annual assessments on the same basis as for the last year for which an assessment was made until a new assessment is made, at which time any shortfalls in collections may be assessed retroactively by the Association.

ARTICLE XII

Duration and Amendments

Section 12.1 Term. The covenants and restrictions of this Declaration shall run with and bind the Property, and shall inure to the benefit of and shall be enforceable by the Association or the Owner of any property subject to this Declaration, their respective legal representatives, heirs, successors and assigns for a term of twenty-five (25) years from the date of this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless an instrument in writing, signed by a majority of the then Owners, has been recorded within the year preceding the beginning of each successive period of ten (10) years, agreeing to change covenants and restrictions, in whole or in part, or to terminate the same.

Section 12.2 Amendments. So long as it has the right to appoint a majority of the Board of Directors, the Declarant shall have the right and authority to modify and amend these Covenants and Restrictions without liability or notice to or joinder of any other party provided such modification and amendments do not violate the community development plan, and provided that such amendments do not establish covenants and restrictions which are less restrictive than those contained in said plan. No house, hangar, garage, tie-down, or pool which is complete or substantially complete at the time of the adoption of an amendment and which conforms to the Covenants and Restrictions prior to such amendment shall be rendered nonconforming by the adoption of an amendment. Any amendment so adopted shall become effective when a certificate thereof executed with the formality of a deed is recorded in the Public Records of Duchesne County, Utah. Amendments to this Declaration may also be adopted by the membership of Thunder Ridge Property Owners Association in the same manner and upon the same vote as required for amendments to the Bylaws of Thunder Ridge Property Owners Association. After the termination of the Declarant's right to appoint a majority of the Board of Directors, this Declaration may be amended only by the affirmative vote or written consent of Voting Members representing sixty (60%) percent of the total votes of the Association. No amendment may remove, revoke or modify any right or privilege of Declarant as specifically provided for in this Declaration or Amendments hereto without the written consent of the Declarant or the assignee of such right or privilege. Any amendment must be recorded in Duchesne County, Utah. The consent of at least two-thirds (2/3) of the Class "A" votes and of Declarant, so long as it owns any lands described in the Declaration (as exercised through their Voting Members), shall be required to terminate the Association and to make a material amendment to any provisions of this Declaration or the Articles of Incorporation or to add any material provisions thereto. The Declarant shall have the right at any time within five (5) years from the date hereof to amend this Declaration to correct scrivener's errors and to clarify any ambiguities determined to exist herein, or to change or add provisions of this Declaration for the purpose of meeting the requirements of governmental agencies, including but not limited to the Federal Housing Administration and the Veterans Administration. Such amendment needs to be executed and acknowledged by the Declarant only, and need not be approved by the Association, the Owners, lienors and mortgagees of Lots, whether or not elsewhere required for amendments. No amendment shall alter the subordination provisions of this Declaration without the prior approval of any mortgagee enjoying such protection.

Section 12.3 Effect on Recording. Any modification or amendment shall be immediately effective upon recording in Duchesne County, Utah, a copy of such amendment or modification, executed and acknowledged by the necessary number of Owners (and by Declarant, as required), together with a duly authenticated Certificate of the Secretary of the Board stating that the required number of consents of Owners were obtained and are on file in the office of the Association.

Section 12.4 Revocation. This Declaration shall not be revoked except as provided in Article XIV regarding total condemnation without the consent of all of the Owners in a written instrument duly recorded.

ARTICLE XIII Enforcement of Covenants

Section 13.1 Violations Deemed a Nuisance. Every violation of this Declaration or any of the other Thunder Ridge Airpark Documents is deemed to be a nuisance and is subject to all the remedies provided for the abatement of the violation. In addition, all public and private remedies allowed at law or in equity against anyone in violation of these Covenants shall be available.

Section 13.2 Compliance. Each Owner or other occupant of any part of the Property shall comply with the provisions of the Thunder Ridge Airpark Documents as the same may be amended from time to time.

Section 13.3 Failure to Comply. Failure to comply with the Thunder Ridge Airpark Documents shall be grounds for an action to recover damages or for injunctive relief to cause any such violation to be remedied, or both. Reasonable notice and an opportunity for a hearing as provided in the By-Laws shall be given to the delinquent party prior to commencing any legal proceedings.

Section 13.4 Who May Enforce. Any action to enforce the Thunder Ridge Airpark Documents may be brought by Declarant or the Board or the Manager in the name of the Association on behalf of the Owners. If, after a written request from an aggrieved Owner, none of the foregoing persons or entities commences an action to enforce the Thunder Ridge Airpark Documents, then the aggrieved Owner may bring such action.

Section 13.5 Remedies. In addition to the remedies set forth in this Article XIII, any violation of the Thunder Ridge Airpark Documents shall give the Board, the Manager or Declarant, on behalf of the Owners, the right to enter upon the offending premises or take appropriate peaceful action to abate, remove, modify or replace, at the expense of the offending Owner, any structure, thing or condition that may exist thereon contrary to the interest and meaning of the Thunder Ridge Airpark Documents. If the offense occurs on any easement, walkway, Common Area or the like, the cure shall be at the expense of the Owner or other person responsible for the offending condition.

Section 13.6 Non-exclusive Remedies. All the remedies set forth herein are cumulative and not exclusive.

Section 13.7 No Waiver. The failure of the Board of Directors, Declarant, the Manager, the ACC or any aggrieved Owner to enforce the Thunder Ridge Airpark Documents shall not be deemed a waiver of the right to do so for any subsequent violations or of the right to enforce any other part of the Thunder Ridge Airpark Documents.

Section 13.8 No Liability. No member of the Board of Directors, Declarant, the Manager, or any Owner shall be liable to any other Owner for the failure to enforce any of the Thunder Ridge Airpark Documents.

Section 13.9 Recovery of Costs. If legal assistance is obtained to enforce any of the provisions of the Thunder Ridge Airpark Documents, or in any legal proceeding (whether or not suit is

brought) for damages or for the enforcement of the Thunder Ridge Airpark Documents or the restraint of violations of the Thunder Ridge Airpark Documents, the prevailing party shall be entitled to recover all costs incurred by it in such action, including reasonable attorney's fees as may be incurred, or if suit is brought, as may be determined by the Court.

ARTICLE XIV Principles of Interpretation

Section 14.1 Severability. This Declaration, to the extent possible, shall be construed or reformed so as to give validity to all of its provisions. Any provision of this Declaration found to be prohibited by law or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating any other part hereof.

Section 14.2 Construction. In interpreting words in this Declaration, unless the context shall otherwise provide or require, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall include all genders.

Section 14.3 Headings. The headings are included for purposes of convenient reference, and they shall not affect the meaning or interpretation of this Declaration.

Section 14.4 Registration of Mailing Address. Each Member shall register his mailing address with the Secretary of the Association from time to time, and notices or demands intended to be served upon or given to a Member shall be personally delivered or sent by mail, postage prepaid, addressed in the name of the member at such registered mailing address.

Section 14.5 Notice. All notices or requests required shall be in writing. Notice to any Member shall be considered delivered and effective upon personal delivery or three (3) days after posting, when sent by certified mail, return receipt requested, to the address of such Member on file in the records of the Association at the time of such mailing. Notice to the Board, the Association, the ACC or Manager shall be considered delivered and effective upon personal delivery or three (3) days after posting, when sent by certified mail, return receipt requested, to the Association, the Board, the ACC or the Manager at such address as shall be established by the Association from time to time by notice to the Members. General notices to all Members or any classification thereof need not be certified, but may be sent regular first class mail.

Section 14.6 Waiver. No failure on the part of the Association, the Board or the ACC to give notice of default or to exercise delay in exercising any right or remedy shall operate as a waiver, except as specifically provided above in the event the board or the ACC fails to respond to certain requests. No waiver shall be effective unless it is in writing, signed by the President or Vice-president of the Board on behalf of the Association, or by the Chairman of the ACC on behalf of the ACC.

Section 14.7 Limitation of Liability on Indemnification. The Association shall indemnify every officer, director and committee member against any and all expenses, including trial and appellate attorney's fees and costs reasonably incurred by or imposed upon any officer or director in connection with any action, suit or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer or director. The officers and directors shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful malfeasance, misconduct or bad faith. The officers and directors 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 or directors may also be Members of the Association), and the Association shall indemnify and forever hold each officer and director 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 not be exclusive of any other rights to which any officer or director, or former officer or director, may be entitled. The Association may, as a Common Expense, maintain adequate general liability insurance and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

Section 14.8 Conflicts Between Documents. In case of conflict between this Declaration and the Articles of Incorporation or the By-Laws or the Covenants, this Declaration shall control. In case of conflict between the Articles of Incorporation or the Covenants and the Architectural Guidelines, the Architectural Guidelines shall control.

Section 14.9 Indemnity for Damages. Each and every Owner and future Owner, in accepting a deed or contract for any Lot subject to these restrictions, agrees to indemnify Declarant for any damage caused by such Owner, or the contractor, agent or employees of such Owner, to roads, streets, gutters, walkways or other aspects of public ways, including all surfacing thereon, or to water, drainage or storm sewer lines, or sanitary sewer lines, or other utilities such as telephone, cable television, electricity or gas lines.

Section 14.10 Assignment. The Declarant may assign all or any part of its rights and reservations hereunder to any successor who takes title to all or part of the Property in a bulk purchase for the purpose of development and sale. Such successor shall be identified, the particular rights being assigned shall be specified, and, to the extent required, concomitant obligations shall be expressly assumed by such successor, all in written instrument duly recorded in Duchesne County, Utah.

ARTICLE XV Condemnation

Section 15.1 Rights of Owners. Whenever all or any part of the Common Area shall be taken or conveyed in lieu of and under threat of condemnation by the Board of Directors acting as attorney-in-fact for all Owners under instructions from any authority having the power of condemnation or eminent domain, each Owner shall be entitled to notice of the taking, but the Association shall act as attorney-in-fact for all Owners in the proceeds incident to the condemnation proceeding, unless otherwise prohibited by law.

Section 15.2 Partial Condemnation; Distribution of Award; Reconstruction. The award made for such taking shall be payable to the Association as trustee for all Owners to be disbursed as follows: If taking involves a portion of the Common Area on which Improvements have been constructed, then, unless within sixty (60) days after such taking Declarant and Owners representing at least sixty-six (66%) percent of the Class "A" votes in the Association shall otherwise agree, the Association shall restore or replace such Improvements so taken on the remaining land included in the Common Area to the extent lands are available therefore, in accordance with the plans approved by the Board of Directors and the ACC. If such Improvements are to be repaired or restored, the provisions in this Article IX above regarding the disbursement of funds in respect to casualty damage or destruction, which is to be repaired, shall apply. If the taking does not involve any improvements on the Common Area, or if there is a decision made not to repair or restore, or if there are net funds remaining after such restoration or

replacement is completed, then such award or net fund shall be distributed in equal shares per Lot, first to the Mortgagees and then to the Owners as their interests appear.

Section 15.3 Complete Condemnation. If all of Thunder Ridge Airpark is taken, condemned, sold or otherwise disposed of in lieu of or in avoidance of condemnation, then the Association created by this Declaration shall terminate, and the portion of the condemnation award attributable to the Common Area shall be distributed as provided in Section 15.2 above.

ARTICLE XVI Expansion

Section 16.1 Reservation of Right to Expand. Declarant shall expand the effect of this Declaration to include all of the Expansion Property coming into the possession and control of Declarant. Declarant shall have the unilateral right to transfer to any other person this right to expand by an instrument duly recorded. Declarant shall pay all taxes and other governmental assessments relating to the Expansion Property until expansion.

Section 16.2 Declaration of Annexation. Such expansion may be accomplished by recording a Declaration of Annexation in Duchesne, Utah, describing the real property to be annexed to the Property, submitting it to the covenants, conditions and restriction contained in this Declaration, and providing for voting rights and Assessment allocations as provided in this Declaration. Such Declaration of Annexation shall not require the consent of the Owners. Any such expansion shall be effective upon the filing for record of such Declaration of Annexation, unless otherwise provided therein. The expansion may be accomplished in stages by successive supplements or in one supplemental expansion. Upon the recordation of any such Declaration of Annexation, the definitions used in this Declaration shall be expanded automatically to encompass and refer to Thunder Ridge Airpark as expanded. Such Declaration of Annexation may add, delete or modify provisions of this Declaration as it applies to the Expansion Property already subject to this Declaration, except as provided in Article XII.