

1 PURPOSE

The purpose of this document is to provide and restate rules and regulations establishing a code of conduct for everyday living that will ensure the Eagle Crest Single Family Homes area is, and will continue to be, a pleasurable and safe place for all owners to live. These Rules and Regulations are in support of and in addition to regulations in the Declaration of Covenants, Conditions and Restrictions for Eagle Crest Single Family Homes Planned Unit Development (Declaration), per Section 5.3.

- 1.1 VISION STATEMENT [A Vision statement describes what an owner would like to see if they were to view Eagle Crest Single Family Homes Association (ECSFHA) at some time in the future (10, 20, 40 years from now)].

EAGLE CREST SINGLE FAMILY HOMES ASSOCIATION VISION STATEMENT:
*A HARMONIOUS COMMUNITY OF RESPONSIBLE, PARTICIPATING OWNERS
ENJOYING A SAFE, COMFORTABLE, AND HEALTHY LIFE STYLE.*

- 1.2 MISSION STATEMENT [A Mission statement describes what must be done by Eagle Crest Single Family Homeowners and their Board of Directors to ensure the Vision Statement becomes a reality.]

EAGLE CREST SINGLE FAMILY HOMES ASSOCIATION MISSION STATEMENT:
*CONCEIVE AND IMPLEMENT A FISCALLY RESPONSIBLE PLAN TO ENSURE THE
ECSFHA COMMUNITY IS PROPERLY ADMINISTERED AND RESPONSIBLY
MAINTAINED.*

2 OWNER'S RESPONSIBILITY

2.1 GENERAL

Homeowners shall make themselves knowledgeable in the Declaration, Bylaws, and Rules and Regulations and govern themselves accordingly. Homeowners shall be responsible for their actions and the actions of their children, tenants, guests and pets. Homeowners shall bear the cost of repairing any damage done to the common area or facilities caused by them, their children, tenants, guests or pets.

Security is not the responsibility of the ECSFHA.. The complex does not have entrance gates or security devices. Security is the responsibility of each Homeowner. In an emergency, dial 911 or call the police.

The Association does not carry homeowners insurance on any homes. Homeowners are responsible for obtaining insurance on their dwelling and contents. (See Declaration, Section 6.9). Association insurance covers only Association common area, private street and directors' liability.

Flammable liquids such as gasoline, kerosene, paint, etc., may be stored only in approved containers. Explosives or articles deemed extra hazardous to life shall not be brought onto or stored on ECSFHA property.

Any damage to underground pipes or electrical wiring caused by an owner is the responsibility of that property owner. Owner must report any damage to the Board of Directors or management agent immediately.

Private swing sets or private permanent game equipment shall not be erected in any common area. Game courts shall not be erected in driveways facing 425 East.

Christmas lights around eaves must be removed by February 1st of each year.

Individual Homeowners may plant flowers and shrubs in the flowerbeds adjacent to their homes, as approved by the ACC. The owner planting such area assumes the responsibility to maintain the plantings in a presentable manner, including the removal of dead flowers and plants at the end of the growing season. Other areas and trees are to be planted only with permission of the ACC. Shrubs and/or trees will be removed only with permission from the ACC.

Between 10:00 p.m. and 8:00 a.m., all noise shall be held to a minimum. No noise disturbance at any time will be made which will annoy or disturb people in other units. All audio equipment, including that in vehicles) will be kept at a sound level that cannot be heard in other units. Contractors working within ECSFHA boundaries must follow these same requirements. Automobile engines are not to be run in the driveways or streets for long periods of time. Motorcycles and motor-driven bikes shall be driven at idle speed in and out of ECSFHA.

2.2 HOME CONSTRUCTION, REPAIRS

New construction is subject to inspection by the Board of Directors at any time, and upon completion a copy of the Final Inspection will be forwarded to the Board of Directors. Following construction, proof of conformation to all codes must be provided to the Architectural Control Committee (ACC).

Homeowners are responsible for the maintenance and repair of their homes. The Board of Directors is responsible for the maintenance and repair of common areas, private street and private sidewalk. If a homeowner lets the outside of their home fall into disrepair, actions will be taken as outlined in the Declaration.

2.3 COMPLAINTS

Complaints and/or suggestions regarding the management of the ECSFHA area, or items of concern, should be submitted in written form, dated, signed and forwarded to the management agent or Board of Directors for review at their next regular meeting. Complainant's name will be held in confidence by management.

2.4 VARIANCES

A variance may be considered by the Board of Directors if following conditions are met:

- 2.4.1 The request for variance is submitted by a ECSFHA owner.
- 2.4.2 The request for variance must be made in writing with the reasons for the variance clearly stated.

In granting a variance, the Board of Directors must find:

- 2.4.3 That a literal enforcement of the rule or regulation would cause unreasonable hardship on the applicant that is not necessary in carrying out the purpose of the Declaration or the Rules and Regulations,
- 2.4.4 There are special circumstances that do not apply to other ECSFHA units or owners,
- 2.4.5 Granting the variance is essential to the enjoyment or a substantial property right possessed by the other ECSFHA owners,
- 2.4.6 The variance will not substantially affect the general architectural plan for ECSFHA or be contrary to the ECSFHA owners interest, and
- 2.4.7 The spirit and intent of ECSFHA Declaration of Covenants, Conditions, Restrictions and its Administrative Rules and Regulations is observed and substantial justice is done.

2.5 HOME OCCUPATIONS

Inasmuch as ECSFHA is a residential community where neighbors live in close proximity to each other, no business of any kind whatsoever shall be established, conducted, permitted, operated or maintained at ECSFHA except they meet all of the federal, state and municipal laws, ordinances and licensing requirements as well as comply with the ECSFHA Declaration, Bylaws, and these Rules and Regulations.

The following are some of the general requirements for home occupation business.

- a. No business shall be established in which clients come to the home.
- b. No products may be sold or delivered from the unit, except by mail or similar delivery;
- c. Only services that are done mostly on the telephone and computer, such as consulting, computer or internet businesses, may be provided at the home as limited by city ordinances;
- d. Any vehicles used in the business must comply with the ECSFHA parking rules;
- e. Possession of a city license does not supercede association rules.

Garage sales or similar activities are not permitted on 425 East. Garage sales on other streets are limited to once per year per homeowner.

2.6 PETS

Permission to keep domestic pets is regulated by the Declaration and these rules/regulations. The final decision of the acceptability of a pet is retained by the Board of Directors. The Association supports Brigham City ordinances regarding pets. Dogs and cats must not be allowed to run at large.

2.6.1 Fines may be levied for any violation of pet rules.

2.6.2 No person shall cause, allow, permit or harbor any dog that habitually barks or cries, creating a noise disturbance across a residential real property line. For the purpose of these rules, A noise disturbance from a barking dog may be defined as that created by a dog barking continuously for thirty minutes or intermittently for sixty minutes or more.

2.6.3. If barking or other noise by a pet disturbing other owners is not stopped after warning by the Board of Directors or management agent, the owner may be required to remove the pet permanently from ECSFHA and/or fines levied

2.6.4 Homeowners are liable to others for damage caused by their, or their guest=s, animals. If a pet damages or destroys the property of another, the pet owner not only can be fined, but will be required to repair, to the satisfaction of the Homeowner, the damaged property or replace the property destroyed.

2.6.5 If a pet bites or otherwise injures anyone in ECSFHA, the pet owner can be fined AND will be liable for all medical, hospital, and other costs AND will be required to remove the pet permanently from ECSFHA

2.6.6 Dogs must be kept within an enclosure or on a leash being held by a person capable of controlling the animal. Enclosures are subject to approval of the Architectural Control Committee. Unattended animals may be removed to a shelter.

2.6.7 No person shall own, possess or harbor any cat which by loud, frequent or habitual meowing or shrieking shall cause a serious annoyance to the neighborhood or becomes a nuisance to occupiers of other property.

2.6.8 No person owning, possessing or harboring a cat shall permit or allow the cat to leave said person's property and premises except when such cat is under reasonable control. It shall be the owner's responsibility to keep the cat from being a public nuisance

2.6.9 All pet owners will, at all times, be prepared to and will pick up any droppings by their pets and dispose of them in their own property

2.6.10 Animals which are declared by the Board to be a nuisance are prohibited and the owner will be required to remove the pet from ECSFHA.

3 ADMINISTRATION

3.1 ANNUAL MEETING

The Board of Directors will establish a date for the annual meeting of the ECSFHA during the first quarter of the year and provide a written notice to all Homeowners no less than ten (10) calendar days prior to the meeting. The purpose of the annual meeting is to elect members to the Board of Directors and conduct such other business as may be lawfully conducted.

A quorum, (25% of eligible votes, as identified in Bylaws, Section 3.5) must be present, in person or by proxy, at the meeting in order for the business to be conducted, including election of members to the Board of Directors.

All Homeowners have the responsibility to attend each annual meeting or, if unable to attend, to provide a proxy to a member of the board prior to the meeting or at the beginning of the meeting. Proxy forms will be provided with the meeting notices.

Standing rules may be established by the Board of Directors for each meeting. Such standing rules will be provided with the meeting notices.

3.2 BOARD of DIRECTORS

A Board of Directors consisting of at least three (3) but no more than five (5) Homeowners will be elected by the ECSFHA owners at the annual meeting. The term of office will be two (2) years. Approximately half of the board will have overlapping terms.

If the annual meeting does not have a quorum, the standing Board of Directors will have their term of office extended until such time as the next official meeting of the ECSFHA is held.

At the first Board of Directors meeting following the elections the board will elect a president and vice president. Following this election, the administrative duties of all of the board members will be assigned by the president.

4 FINES and PENALTIES

The Board of Directors of the ECSFHA Association may assess any Homeowner a fine for the violation of the policies and rules of the association. Homeowners may be fined for violations of their tenants or guests.

The current fine schedule will be made available to homeowners at the annual meeting, in newsletters, or by internet posting.

Before assessing a fine, the Board of Directors or management agent will give notice to the Homeowner of the violation. A notice will inform the Homeowner that a fine will be imposed if the violation is not corrected within the time provided. If the violation is corrected within the stated fine period, there will be no fine. However if the violation is not cured, fines will be assigned as provided in the ECSFHA Rules and Regulations.

Unpaid fines will be assessed late charges at the annual rate of 18 percent compounded monthly.

An owner may request an informal hearing before the Board of Directors with the purpose of protesting or disputing a fine. The owner must request the hearing within thirty (30) days from the date the fine is assessed and the hearing will be scheduled within ten (10) days from the time of the request for hearing. No interest or late fees will accrue until after the hearing has been conducted and a final decision by the Board of Directors is rendered. A written decision will be provided to the Homeowner within ten (10) days.

Homeowners may appeal any fine assessed by filing an action in district court within 180 days of. 1) the hearing and decision of the Board of Directors; or 2) the time to request a hearing has expired (30 days after assessment) without the Homeowner making such a request. The prevailing party is entitled to an award of attorney's fees and other costs associated with collecting the fine.

The fine becomes a lien against the Homeowner's interest in his unit after time for appeal has expired.

5 LIENS

At the discretion of the Board of Directors of ECSFHA a lien may be filed against any Homeowner for the non-payment of any assessment, fine or other financial obligation to the association.

A copy of the Notice of Lien will be sent by certified mail to the last known address of the person against whom the lien is filed within ten days after the lien has been recorded with the County Recorder. The lien will include the legal description of the property, the amount owed in delinquent assessments, and the name and address of the homeowner association claiming the lien. ECSFHA will include the article number of the certified mailing receipt when a copy of the notice of lien is mailed to the delinquent Homeowner.

Once the lien has been filed and ECSFHA receives notice that the lien has been paid or otherwise satisfied, the lien will be released within twenty days of receiving of such notice.

6 SERVICES

6.1 INSURANCE

The Association does not carry any policy to cover any homeowner's dwelling. The Association's insurance policy covers only liability on the common area, private street, and directors' liability. This policy is for the protection of the Homeowners who indemnify the Board of Directors as stated in section 5.2b2 of the ECSFHA Declaration.

Each member of the Board of Directors shall be indemnified and held harmless by the Homeowners against all costs, expenses and liabilities whatsoever, including, without limitation, attorney's fees, reasonably incurred by him in connection with any proceeding to which he may become involved by reason of his being or having been a member of said committee. Providing however, a member of the Board of Directors shall not be indemnified under this paragraph for any acts which constitute gross negligence or willful misconduct.

6.2 GROUNDS - Eagle Crest II/III and Common Area

6.2.1 GROUNDS MAINTENANCE

Maintenance of common areas and landscape maintenance of Eagle Crest II/III will be accomplished by a contractor obtained by the Board of Directors or management agent. The contract will be reviewed each year and when appropriate, multiple bids will be obtained to assure the lowest cost contract is obtained commensurate with the service provided. No contract may be signed for more than one (1) year.

A schedule for lawn mowing and edging will be provided at the beginning of yard maintenance season. Play equipment and lawn decorative items must be removed that day to implement maintenance. Animal feces must be removed from yards before yard maintenance crew arrives. Access must be provided to fenced areas.

6.2.2 GROUNDS WATERING

Repair and maintenance of the grounds sprinkler system may or may not be part of the grounds maintenance contract. Control of the grounds watering times and schedule will be retained by the Board of Directors or management agent

Lawn watering meters are usually shared by several lots. The landscape maintenance staff maintains the meters and schedules watering. Homeowners must not adjust either the watering times or the schedules. If an owner judges that some adjustment is needed, that owner must contact the management agent.

6.2.3 LANDSCAPE MAINTENANCE AREA

Landscape maintenance area extends from the foundation of each home, through the lawn area of each lot, through the common areas, with the following EXCEPTIONS:

6.2.3.1 Maintenance of flower beds which have been approved by the Architectural Control Committee (ACC) on each lot shall be the responsibility of the individual lot owners, but under the jurisdiction of the ACC.

6.2.3.2 Maintenance of trees owned by lot owners and planted on their lot shall be the responsibility of the individual lot owner. The planting of such trees must be approved by the ACC, based on trees authorized in the P.U.D. Master Plan. Mow strips approved by ACC must be provided around trees owned by lot owners. Owners are responsible for keeping bases of their trees weed-free.

6.2.4 SNOW REMOVAL and ROAD CARE

Snow removal and private road care will be accomplished by a contractor obtained by the Board of Directors or the management agent. Snow removal on sidewalks, driveways and streets is scheduled when a storm exceeds two inches, or as decided by the Board of Directors.

7 FENCES

After 17 February 2005, no additional fencing will be allowed on homes facing 400 East, but patio enclosures will be considered by the Architectural Control Committee.

Fences abutting the golf course on 425 East and 500 East will be considered by the ACC upon written request, accompanied by diagram.

8 STREETS & PARKING

8.1 TRAFFIC

8.1.1 Pocket bikes may not be operated within the boundaries of ECSFHA.

8.1.2 Motorized vehicles (including motorcycles and ATVs, but excluding wheelchairs or other conveyances deemed necessary for handicap or disabled individuals) shall not be operated within the boundaries of ECSFHA - 1) by any person who is not a licensed operator; 2) for any purpose other than entering or leaving ECSFHA by the most direct route; or 3) without proper mufflers to keep noise to a minimum.

8.1.3 Motorized vehicles (including motorcycles and ATVs but excluding wheelchairs) shall not be parked or operated in landscape maintenance areas

8.1.4 Skate boards, bicycles, scooters, toys or other equipment shall not be left unattended on sidewalks

8.1.5 Drivers are to remain alert for children at play, for older persons and for vehicles exiting garages.

8.2 RECREATIONAL VEHICLES

All Recreational Vehicles (motor homes, campers, boats, and trailers of all types) are subject to parking restrictions within the boundaries of the ECSFHA. The Board of Directors recognizes the need for short-term parking of said vehicles for repairs, loading and unloading, etc., but prolonged on-site parking is prohibited. Recreational vehicles may be temporarily parked in driveways or on public streets for periods not to exceed seventy-two (72) hours for purposes of loading, unloading and cleaning.

8.3 ALL VEHICLES

8.3.1 Owners must park, store, keep vehicles within their driveway or garage.

8.3.2 Inoperable vehicles must be stored in garages.

8.3.3 Operable campers or small trucks only up to and including 3/4 ton used for every-day type transportation may be regularly parked in a driveway.

8.3.4 Major repairs or major restoration of any motor vehicle, boat, trailer, aircraft or other vehicle is prohibited upon any portion of any lot or upon the common area.

8.3.5 Vehicles (including motorcycles) may not be parked on sidewalks.

8.3.6 Any habitual violator shall be subject to disciplinary action as determined by the Board of Directors. In the case of an emergency or continuous violation, parked vehicles will be towed away at the owner's expense.

8.4 PARKING - 425 EAST

The City requires that the sub-standard width private street, 425 East, be kept clear for emergency vehicles. Parking is prohibited

9 SALES OF HOMES

Homeowners shall notify Board of Directors of their intention to place their property for sale before placing it on the market. Homeowner is obligated to notify buyers and potential buyers the following:

- a. The property lies within a Planned Unit Development
- b. The property is subject to Eagle Crest Single Family Homes Association Declaration, Bylaws and Rules and Regulations.
- c. The current monthly homeowner's association assessment.
- d. Where they can obtain copies of the Declaration, Bylaws and Rules and Regulations.
- e. The amount of any delinquent assessments or liens related to the property.
- f. The current scope and schedule for landscape maintenance and/or snow removal.
- g. The name and telephone number of the association's management agent.

10 LOT USAGE

Individually owned lots are reserved to the use of the individual owner(s) of each lot. Homeowners shall be responsible for knowing the borders of their lots and restricting the activities of their families and guests within those borders. Driveways, which impinge upon common area, shall be Limited Common Area, the use of which is reserved to the owners of the separate Lots to which they are contiguous. Driveways in Eagle Crest II and Eagle Crest III are subject to Association approved snow removal, access for landscape maintenance and ACC control.

11 CO-MINGLING OF FUNDS

Eagle View III private sewer reserve funds and ECSFHA reserve funds shall not be co-mingled. Collected funds shall be placed monthly into separate, interest bearing savings accounts established in a financial institution for that purpose..

12 RENTALS

Rentals shall be limited to not more than 8% of total homes.

13 MAILBOXES

Mailboxes which were installed by the developer on 400 East and 500 East instead of following Declaration, Section 6.3, will be maintained by the Association for the time being.