

ENT 142661:2020 PG 1 of 44 JEFFERY SMITH UTAH COUNTY RECORDER 2020 Sep 18 10:36 on FEE 40.00 BY MA RECORDED FOR OREM CITY CORPORATION

VINEYARD GATEWAY PROFESSIONAL CENTER CONDOMINIUMS

OF

DECLARATION OF CONDOMINIUM

THIS DECLARATION for VINEYARD GATEWAY PROFESSIONAL CENTER CONDOMINIUMS (hereafter referred to as the "Declaration") made and executed this 17th day of September, 2020, by 1443 WEST 800 NORTH, LLC, a Utah limited liability company (herein referred to as the "Declarant"), pursuant to the provisions of the Utah Condominium Ownership Act, Utah Code Annotated, Section 57-8-1, et seq. (the "Act").

RECITALS

- 1. Declarant is the owner of all of the Units and undivided percentage interests in the common areas of the Utah Valley Home Builders Condominium Project, located at 1443 West 800 North, Orem, Utah County, Utah State located on those certain Tracts of Land, more particularly described in ARTICLE II hereof.
- 2. There have been constructed upon said Tracts of Land, the improvements comprising the Vineyard Gateway Professional Center Condominium Project, including the units, common areas and other improvements thereto. All of such construction has been in accordance with the previous plans and drawings contained in the previous record of survey map for the Utah Valley Home Builders Condominium Project.
- 3. Declarant has terminated the Utah Valley Home Builders Condominium Project and has terminated and withdrawn the Declaration and Plat thereof.
- 4. As a result of such termination and withdrawal, Declarant and each of them has become the owner of an undivided percentage interest in the tract of land and improvements which comprised the Utah Valley Home Builders Condominium Project (although under such termination it was agreed that such undivided percentage interests would be at attributable to the Unit(s) owned by each such Declarant).
- 5. Declarant desires, by filing this Declaration and the Record of Survey Map filed for record simultaneously herewith, prepared and certified by Roger D. Dudley, Utah State Registered Land Surveyor, Certificate No. 147089, to submit the Tracts of Land and all Improvements now or hereafter constructed thereon to the provisions of the Act as a Condominium Project to be known as VINEYARD GATEWAY PROFESSIONAL CENTER CONDOMINIUMS.
- 6. All of the subsequent construction has been or will be in accordance with the plans and drawings contained in the Record of Survey Map for the Vineyard Gateway Professional Center Condominiums Project prepared and certified by Roger D. Dudley, Utah State Registered Land Surveyor, Certificate No. 147089.

DECLARATION

NOW, THEREFORE, for the foregoing purposes, Declarant hereby declares and certifies as follows:

ARTICLE I DEFINITIONS

When used in this Declaration (including that portion hereof captioned "RECITALS" and in the BYLAWS attached hereto as Exhibit "C") each of the following terms shall have the meaning indicated. Any term used herein which is defined by the Act shall, to the extent permitted by the context hereof, have the meaning ascribed by the Act.

- 1. Act. Shall mean and refer to the Utah Condominium Ownership Act, Utah Code Annotated, Section 57-8-1, et seq., as the same may be amended from time to time, including any successor statutory provisions thereof.
- 2. <u>Assessment</u>. Shall mean and refer to an assessment levied to offset Common Expenses and/or Special Expenses as the context so specifies.
- 3. <u>Association</u>. Shall mean and refer to VINEYARD GATEWAY PROFESSIONAL CENTER CONDOMINIUMS, INC., a Utah Non-Profit Corporation, its successors and assigns.
- 4. **Board or Board of Trustees.** Shall mean the Governing Board of the Association.
- 5. **<u>Building</u>**. Shall mean and refer to a structure containing Units and comprising a part of the Condominium Project.
- 6. **Bylaws**. Shall mean and refer to the Bylaws of the Association.
- 7. Common Areas or Common Areas and Facilities. Shall mean and refer to and include:
- A. The real property and interests in real property which this Declaration submits to the provisions of the Act, including the entirety of the Tracts of Land and all fences, sidewalks, walkways, unassigned parking areas, unassigned yards, private drives or roadways located thereon, and exterior Building surfaces; but excluding those portions thereof which lie within the boundaries of any Condominium Unit as hereinafter defined.
- B. Those Common Areas and Facilities and Limited Common Areas and Facilities specifically set forth and designated as such on the Record of Survey Map pursuant to Utah Code Annotated, Section 57-8-13.
- C. Those Common Areas and Facilities and Limited Common Areas and Facilities as defined in the Act, whether or not expressly listed herein or on the Record of Survey Map.

- D. That part of the Condominium Project not specifically included in the respective Units as hereinafter defined,
- E. Those areas used in the installation of central services such as power, light, gas, all apparatus and installations existing for common use and such facilities as may be provided for.
- F. All other parts of the Condominium Project normally in common us convenient to its use, existence, maintenance safety, or management.
- 8. <u>Common Expenses</u>. Shall mean and refer to any of the following:
- A. The expenses of, or reasonable reserves for, the maintenance, management, operation, repair, and replacement for the Common Areas and Facilities.
- B. The expenses of management and administration of the Association including compensation paid by the Association to a manager, accountant, attorney, or other employees or agents.
- C. Any other item or items designated by the Act, this Declaration the Bylaws of the Association, any rules, regulations and other determinations and agreements to be Common Expenses and any other expenses reasonably incurred by the Association on behalf of all Owners.
- 9. <u>Condominium Project or Project.</u> Shall mean and refer to VINEYARD GATEWAY PROFESSIONAL CENTER CONDOMINIUMS as the same shall exist from time to time.
- 10. Condominium Unit or Units. Shall mean and refer to one of the commercial units in the Condominium Project as shown on the Record of Survey Map intended for the independent and private use of an Owner as described in the Act and as shown in the Record of Survey Map, together with the undivided interest in and to the Common Areas and Facilities appertaining to that Unit, and shall include anything located within or without said Unit but designated and designed to serve only that Unit, such as appliances, electrical receptacles and outlets, air conditioning compressors and other air conditioning apparatus, but specifically excluding the exterior surfaces of Buildings and Units. Fixtures and the like shall also be considered part of the Unit, as shall all decorated interiors, all surfaces or interior structural walls, floors and ceilings, windows and window frames, doors and door frames, and trim consisting of, among other things and as appropriate, wallpaper, paint, flooring, carpeting, and tile. All pipes, wires, conduits, or other public utility lines or installation constituting part of a particular Unit or serving only that Unit, and any structural members of any other property of any kind, including fixtures within any Unit, which are not removable without jeopardizing the soundness, safety, or usefulness of the remainder of the Building within which the Unit is situated, shall be considered part of the Unit.
- 11. <u>Declarant</u>. Shall mean and refer to the person(s) or entity(ies) who executed this Declaration or on whose behalf this Declaration is executed.

- 12. <u>Declaration</u>. Shall mean and refer to this Declaration as the same may hereafter be supplemented or amended in accordance with law and the provisions hereof. This Declaration has been drafted to comply with the requirements of the Act. Any ambiguities, omissions, and/or conflicts shall be construed to comply with the provisions of the Act.
- 13. <u>Limited Common Areas or Limited Common Areas and Facilities</u>. Shall mean and refer to those portions of the Common Areas which are designated in this Declaration or the Act or shown on the Record of Survey Map as reserved for the exclusive use of a certain Unit or Units to the exclusion of other Units. Limited Common Areas include storage areas and parking spaces specifically assigned for the exclusive use of the Unit Owner.
- 14. <u>Management Committee or Committee</u>. Shall mean and refer to the committee as provided in this Declaration charged with and having the responsibility and authority to administer the Condominium Project and to make and enforce reasonable rules and regulations covering the operations and maintenance thereof as provided for herein.
- 15. Member. Shall mean a member of the Association.
- 16. <u>Mortgage</u>. Shall mean and include any Mortgage, Deed of Trust, or other security instrument by which a Condominium Unit or any part thereof is encumbered.
- 17. <u>Mortgagee</u>. Shall mean and include any person named as a Mortgagee or Beneficiary under arecorded Mortgage or Deed of Trust.
- 18. Record of Survey Map or Map. Shall mean the Record of Survey Map (described in Utah Code Annotated, Section 57-8-13) of VINEYARD GATEWAY PROFESSIONAL CENTER CONDOMINIUMS, Plat "A" recorded simultaneously herewith at the Utah County Recorder's Office, State of Utah.
- 19. <u>Rules and Regulations</u>. Shall mean the rules and regulations governing the use of the Common Areas and the facilities thereon, duly adopted by the Association.
- 20. Special Assessment. Shall mean an assessment for Special Expenses.
- 21. Special Expenses. Shall mean the following:
- A. The expenses incurred by the Association for the repair of damage or loss to the Common Areas or Limited Common Areas.
- **B.** Unanticipated expenses reasonably incurred by the Association to protect or further the interests of the Association or its Members.
- 22. <u>Sale</u>. The sale of any Unit is the sale of the Unit, its Limited Common Area, and its designated undivided interest in the Common Area only.
- 23. Tract of Land or Tract. Shall mean and refer to the real property described in

ARTICLE II, the Buildings, all improvements, and the structures thereon, all easements, rights, and appurtenances belonging thereto, and all items of personal property (which constitute fixtures), intended for use in connection therewith; which under ARTICLE II, Paragraph 1 of this Declaration is submitted to the Act, together with any other land annexed into the Project as provided in this Declaration.

- **24. <u>Unit Number</u>**. Shall mean and refer to the number, letter, or combination thereof which designates a Unit on the Record of Survey Map.
- 25. <u>Unit Owner or Owner</u>. Shall mean and refer to the owners of record (in the Utah County Recorder's Office, State of Utah) of a fee simple interest in a Condominium Unit and the undivided interest in the Common Areas which is appurtenant thereto, whether one or more persons or entities. The term "Owner" shall not mean or include a Mortgagee, Beneficiary, or Trustee or Deed of Trust unless and until such party has acquired title pursuant to foreclosure or any arrangement or proceeding in lieu thereof. In the event a Unit is the subject of an installment or executory contract of sale, the Buyer shall, unless the Seller and the Buyer have otherwise agreed and have informed the Management Committee in writing of such agreement, be considered the Unit Owner for all purposes.

ARTICLE II SUBMISSION OF THE PROJECT; PROPERTY DESCRIPTION

- 1. <u>Submission</u>. The Declarant hereby submits to the provisions of the Act and this Declaration the Tract of Land situated in the City of Highland, Utah County, State of Utah. Such Tract of Land and Improvements is and shall be held, transferred, sold, conveyed, and occupied subject to the provisions of this Declaration and more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference.
- 2. <u>Division into Condominium Units</u>. The Condominium Project is hereby divided into Condominium Units as set forth on the Record of Survey Map. Each such Condominium Unit consists of a Unit and an appurtenant undivided percentage interest in and to the Common Areas and Facilities as set forth in Exhibit "B" attached hereto and incorporated herein by this reference.
- 3. <u>Legal Description of a Unit</u>. Each conveyance or installment contract for the sale of a Unit and every other instrument effecting title to a Unit may describe that Unit by the letter and number shown on the Map with appropriate reference to the Map and to this Declaration, as each shall appear on the records of the County Recorder of Utah County, State of Utah, and in substantially the following form:

The following described tract of land situated in the City of Orem, County of Utah, State of Utah, to wit:

Unit No	as	contained	within	Vineyard	Gateway	Professional	Center
Condominiums	Pro	ject as the	same is	identified i	n the Reco	rd of Survey	Map for
Vineyard Gates	way	Profession	al Cente	r Condomi	niums reco	orded on	

Map No	_ (as said Record of Survey Map n	nay have been amended
or supplemented), and	I in the Declaration of Condominium	m of Vineyard Gateway
Professional Center C	ondominiums recorded on	, 2020, in the Utah
County Recorder's Of	fice, State of Utah, as Entry No.	et seq. (as
said Declaration may l	have been amended or supplemented	d).

TOGETHER WITH the undivided ownership interest in said Vineyard Gateway Professional Center Condominiums Project's Common Areas and Facilities which are appurtenant to said Unit as more particularly described in said Declaration and said Plat Map (as said Declaration and Plat Map may have been amended or supplemented).

SUBJECT TO restrictions, covenants, easements, encumbrances, and rights-of-way of record, visible by inspection or otherwise.

Such description will be constructed to describe the Unit together with an undivided interest in and to the Common Areas as the same is established and identified in the Declaration and Map referred to herein, and to incorporate all the rights incident to ownership of a Unit and all the limitations of such ownership as described in this Declaration.

3. Ownership and Conveyance. At the execution of this Declaration, each Declarant shall be the owner of the Unit or Units and the Unit(s) appurtenant undivided percentage interest in and to the Common Areas and Facilities as set forth in Exhibit "E."

All and each of the Declarants hereby convey and transfer to each Declarant set forth in Exhibit E any and all undivided percentage interest they may have in and to the Unit and the Unit's appurtenant undivided percentage interest in and to the Common Areas to which each Declarant is the owner and to which each Declarant is entitled as set forth in Exhibit E.

5. Each Declarant who had an encumbrance or lien against their Unit or Unit(s)in the previous Highland Office Building Condominium Project shall be transferred to the Unit or Units and the Unit's appurtenant undivided percentage interest in the Common Areas of which such Declarant is an owner hereunder and to which such Declarant is entitled hereunder.

ARTICLE III IMPROVEMENTS

- 1. <u>Improvements</u>. The improvements included in the Project are now or will be located on the Tracts of Land, and all of such improvements are described on the maps. The maps indicate the number of Units which are to be contained in the Building, the dimensions of the Units, and other significant facts relating to such Plats, Building, Units, Common Areas, and Limited Common Areas.
- 2. <u>Description of Buildings and Units</u>. Vineyard Gateway Professional Center Condominiums consists of a single building, divided into 8 Units. Construction is steel and wood, with stucco and rock exterior and metal and membrane roofing. The Building has three (3)

levels making a building which is three (3) stories in height. Each Unit will contain from 2,550.81 to 5,216.41 square feet of floor area as per schedule:

Suite/Unit 101 with 2,022 square feet; 2,550.81 square feet rentable Suite/Unit 102 with 2,313 square feet; 2,917.91 square feet rentable Suite/Unit 103 with 4,135 square feet; 5,216.41 square feet rentable Suite/Unit 201 with 2,715 square feet; 3,425.04 square feet rentable Suite/Unit 202 with 3,062 square feet; 3,862.79 square feet rentable Suite/Unit 203 with 2,809 square feet; 3,543.63 square feet rentable Suite/Unit 301 with 2,519 square feet; 3,177.79 square feet rentable Suite/Unit 302 with 2,412 square feet; 3,042.80 square feet rentable Suite/Unit 303 with 3,563 square feet; 4,494.82 square feet rentable

- A. Each Unit will have individual electric meters.
- **B**. Each Unit will have individual telephone hook-ups.
- C. Each Unit shall have Limited Common Areas which includes 123 parking spaces.
- **D.** The Project will have a landscaped yard with grass, trees, shrubs, and flowers, equipped with an automatic sprinkler system. Water for the sprinkling system is common to the Project, and will be assessed and paid through the Association.
- 3. <u>Description and Legal Status of Units</u>. The Map shows the Unit number of each Unit, its location and dimensions from which its areas may be determined, the Limited Common Areas, if any, which are reserved for its use, and the Common Areas of the Project.
- 4. Exhibit "B" attached to this Declaration and made a part hereof furnishes the following information with respect to each Unit: (a) appurtenant undivided percentage ownership in the Common Areas; and (b) number of votes.
- 5. <u>Common and Limited Common Areas</u>. The Common Areas contained in the Project are described and identified in ARTICLE I hereof and on the Map. Neither the ownership of undivided interests in and to the Common Areas nor the right of exclusive use of Limited Common Areas shall be separated from the Unit to which it appertains; even though not specifically mentioned in the instrument of conveyance, such percentage of undivided interest and such right of exclusive use shall automatically accompany the conveyance of the Unit to which they relate.

ARTICLE IV NATURE AND INCIDENTS OF OWNERSHIP

1. <u>Unit Title</u>. Title to a Unit may be held or owned by, any entity and in any manner in which title to any other real property may be held or owned in the State of Utah, including, but without limitation, joint tenancy or tenancy in common.

- 2. No Separation. No part of a Unit, or of the legal rights comprising ownership of a Unit, may be separated from any other part thereof during the period of condominium ownership described herein, so that each Unit, the undivided interest in the Common Areas appurtenant to such Unit, and the exclusive right to use and occupy the Limited Common Areas appurtenant to each Unit, shall always be conveyed, devised, encumbered, and otherwise effected only together and may never be separated from one another. Every gift, devise, bequest, transfer, encumbrance, or other disposition of a Unit, or any part thereof, shall constitute a gift, devise, bequest, transfer, encumbrance, or conveyance, respectively, of the entire Unit, together with all appurtenant rights created bylaw or by this Declaration, otherwise, the same shall be void.
- 3. <u>Membership in Association</u>. Every Unit Owner shall be a Member of the Association of Unit Owners. Membership in the Association shall be mandatory, and shall be appurtenant to, and not separated from, the Unit to which it appertains.
- 4. <u>Undivided interest in Common Areas</u>. Each Unit Owner shall have, for each Unit owned, an equal, undivided interest in and to the Common Areas; as the same is established in Exhibit "B" attached hereto.
- 5. <u>Partition</u>. The Common Areas shall be owned in common by all the Owners of Units, and no Unit Owner may bring action for partition thereof, except as authorized by the Act.
- 6. <u>Use of Common Areas and Limited Common Areas</u>. Subject to the limitations contained in this Declaration and the Bylaws, each Unit Owner shall have the non-exclusive right to use and enjoy the Common Areas designated herein and on the Map, and shall have the exclusive right to use and enjoy the Limited Common Areas designated herein and on the Map or inferred by the Act which appertains to a particular Unit.
- 7. Duty of Owner to Pay Taxes on Unit Owned. It is understood that under the Act each Unit (and its percentage of undivided interest in and to the Common Areas) in the Project is subject to separate assessment and taxation of each taxing authority and special district which has such jurisdiction over the Project for all types of taxes and assessments authorized by law, and that as a result thereof no taxes shall be assessed or levied against the Project as such. Accordingly, each Unit Owner will pay and discharge any and all taxes and assessments which may be assessed against such Owner relative to his Unit.
- 8. <u>Duty to Pay Association Assessments</u>. Each Unit Owner is obligated to pay and discharge all Assessments and charges levied by the Association as set forth herein.
- 9. <u>Unit Maintenance</u>. Each Owner shall at his own cost and expense maintain, repair, paint, repaint, tile, paper, or otherwise refinish and decorate the interior walls and trim of the Unit, and all walls, ceilings, floors, windows, and doors within such boundaries. In addition to decorating and keeping the interior of the Unit in good repair and in a clean and sanitary condition, the Unit Owner shall be responsible for the maintenance, repair, or replacement of any plumbing fixtures, water beater, heating equipment, lighting fixtures, refrigerator, dishwasher, disposal equipment, range, or other appliances or fixtures that may be in, or connected with, the Unit.

10. <u>Maintenance of Limited Common Areas</u>. Each Owner shall, at his own cost, maintain and keep the Limited Common Areas designed for use in connection with his Unit in a clean, sanitary, and attractive condition at all times. Management Committee may impose fees for the maintenance of Limited Common Areas.

ARTICLEV EASEMENTS

- 1. Easement for Encroachment. If any part of the Common Areas encroaches or shall hereafter encroach upon a Unit or Units, an easement for such encroachment and for the maintenance of the same shall and does exist. If any part of a Unit encroaches or shall hereafter encroach upon the Common Areas, or upon an adjoining Unit or Units, an easement for such encroachment and for maintenance shall and does exist. Such encroachments shall not be considered to be encumbrances either in the Common Areas or the Units. Encroachments referred to herein include, but are not limited to, encroachments caused by error in the original construction of the Building on the Tract of Land, by error in the Map, by settling, raising, or shifting of the earth, or by changes in position caused by repair or reconstruction of the Project or any part thereof.
- 2. Access for Repair of Common Area. If any of the Common Areas are or may be located within the Units or may be conveniently accessible only through the Units, the Owners of the other Units shall have the irrevocable right, to be exercised by the Management Committee as their agent, to have access to each Unit and to all Common Areas from time to time during such reasonable hours as may be necessary for maintenance, repair, or replacement of any of the Common Areas located therein or accessible therefrom or for making emergency repairs therein necessary to prevent damage to the Common Areas or to another Unit or Units. The Committee shall also have such rights independent of the agency relationship. Damage to the interior of any part of the Unit or Units resulting from the maintenance, repair, emergency repair, or replacement of any of the Common Areas, or as a result of emergency repairs within another Unit at the request of the Management Committee or of Unit Owners, shall be an expense of all the Unit Owners and assessed proportionately provided, that if such damage is the result of negligence of the Owner of the Unit, then such Owner shall be financially responsible for all such damage. Amounts owing by Owners pursuant hereto shall be collected by the Management Committee by Assessment pursuant to this Declaration and Bylaws.
- 3. Right of Ingress, Egress, and Lateral Support. Each Owner shall have the right to ingress and egress over, upon, and across the Common Areas necessary for access to his Unit, and to any Limited Common Area designated for use in connection with his Unit, and each Owner shall have the right to the horizontal, vertical, and lateral support of his and any adjoining Unit, and such rights shall be appurtenant to and pass with the title to each Unit.
- 4. Easement to Management Committee. The Management Committee shall have no exclusive easements to make such use of the Common Areas as may be necessary or appropriate to perform the duties and functions which it is obligated or permitted to perform pursuant to this Declaration.

5. <u>Easement for Utility Services</u>. There is hereby created a blanket easement upon, across, over, and under the Tract of Land for ingress, egress, installation, replacing, repairing, and maintaining all utilities, including, but not limited to, water, sewer, gas, telephone, electricity, and other utility services.

ARTICLE VI MANAGEMENT COMMITTEE

- 1. <u>Status and General Authority of Management Committee.</u> Except as hereinafter provided, the Condominium Project shall be managed, operated, and maintained by the Management Committee as agent for the Unit Owners. The Management Committee shall, in connection with its exercise of any of the powers hereinafter provided, constitute a legal entity capable of dealing in the Management Committee's name. The Management Committee shall have, and is hereby granted, the following authority and powers:
- A. The authority without the vote or consent of the Unit Owners or any other persons or entities, except for Mortgagees if required by the terms of their Mortgage, to grant or create on such reasonable terms as it deems advisable, utility and similar easements over, under, across, and through the Common Areas and Facilities.
- **B**. The authority to execute and record, on behalf of all Unit Owners, any amendments to the Declaration or the Map which has been approved by the vote or consent of Unit Owners necessary to authorize such amendments as provided in this Declaration.
 - **C.** The power to sue and be sued.
- **D.** The authority to enter into contracts relating to the Common Areas and other matters over which it has jurisdiction, so long as any vote or consent of the Unit Owners necessitated by the subject-matter of the agreements has been obtained.
- E. The power and authority to convey or transfer any interest in real property, so long as the vote or consent necessary under the circumstances has been obtained, including that of any Mortgagee if required by the terms of its Mortgage.
- **F.** The power and authority to purchase, or otherwise acquire, and accept title to, any interest in real property so long as such action has been authorized by any vote or consent which is necessary under the circumstances.
- G. The power and authority to add any interest in real property obtained pursuant to Subparagraph F above to the Project, so long as such action has been authorized by the necessary vote or consent.
- H. The authority to promulgate such reasonable rules, regulations, and procedures as may be necessary, or desirable to aid the Management Committee in carrying out its function or to insure that the Project is maintained and used in a manner consistent with the interests of the

Unit Owners. All such rules and regulations established by the Maintenance Committee shall be established in writing.

- I. The power and authority to perform any other acts and to enter into any other transactions, subject to the rights of the Association, which may be reasonably necessary for the Management Committee to perform its function as agent for the Unit Owners. Any of the Project that recites facts which, if true, would establish the Management Committee's power and authority to accomplish thereby, shall conclusively establish said power and authority in favor of any person who in good faith and for value relies upon said instrument.
- 2. Composition of Management Committee; Election; Vacancy. The Management Committee shall be composed of three (3) members: President, Vice President, and Secretary/Treasurer of the Association, all of whom compose the Board of Trustees of the Association, and shall be elected by and from the general membership of the Association. The Management Committee shall be elected each year at the annual meeting of the Members of the Association, and each shall hold office for a period of one (1) year. Members shall serve on the Management Committee until their successors are elected. Only Unit Owners, and officers, directors, or agents of Owners other than individuals, shall be eligible for Committee Membership. At the annual meeting each Unit Owner may vote his percentage of undivided ownership interest in favor of as many candidates or Committee memberships as there are seats on the Committee to be filled (not to be construed as permitting cumulative voting) the remaining Committee members shall elect a replacement to sit on the Committee until the expiration of the term for which the member being replaced was elected. Any Committee member who fails on attending at least twenty-five percent (25%) of all Committee meetings (whether regular or special) held during any twelve (12) month period shall automatically forfeit his seat.
- 3. Rights and Duties. The Management Committee, subject to the rights and duties of the Association, this Declaration, and Bylaws, shall be responsible for the general management and administration of the Project. It is understood that the Management Committee has the obligation to maintain the Common Areas of the Project. However, and notwithstanding anything contained herein to the contrary, in the event of the failure or refusal of the Management Committee to maintain all the Common Areas of the Project, as contemplated in this Declaration, then the Unit Owners shall maintain the same.
- 4. Exterior Maintenance. In connection with its duty to maintain Common Areas, the Management Committee shall provide maintenance upon the exterior of each Building and Unit, fences, and the Common Areas as follows: paint, repair, replace, and care for roofs, gutters, down spouts, exterior Building surfaces, trees, shrubs, grass, walkways, driveways, parking areas, and other exterior improvements, except the glass windows of each Unit. In the event that the need for maintenance or repair of the exterior of a Unit is caused through the willful or negligent acts of its Owner, or through the willful or negligent acts of employees, agents, or invitees of the Owner of the Unit needing such maintenance or repair, the cost of such exterior maintenance shall be added to and become a part of the Assessment to which such Unit is subject.

- 5. <u>Maintenance of Common Areas</u>. The Management Committee shall provide maintenance and repairs upon all Common Areas and improvements, including, but not limited to, the following: roads, fences, sewer mains, water mains, snow removal, as well as all trees, shrubs, grass, etc. as exist upon the Common Areas.
- 6. Rights of Delegation to Manager. The Management Committee may carry out any of its functions which are capable of delegation through a Manager. The Manager so engaged shall be responsible for managing the Common Areas and shall, to the extent permitted by law and the terms of the agreement with the Management Committee, be authorized to perform any of the functions or acts required or permitted to be performed by the Management Committee itself. Any such agreement between the Management Committee and a Manager shall be terminable for any cause upon thirty (30) days notice, and may run for a reasonable period of time.
- 7. Payment of Services; Etc. The Management Committee may obtain and pay for the services of any person or entity to manage its affairs, or any part thereof, to the extent it deems advisable, as well as such other personnel as the Management Committee shall determine to be necessary or desirable for the proper operation of its function in the Project. The Management Committee may obtain and pay for the operation of the Project or the enforcement of this Declaration. It is recognized that the Management Committee may arrange with other persons to furnish snow removal, ground maintenance, and other common services to the Project whether such personnel are furnished or employed directly by the Management Committee. The Management Committee may terminate any and each such service or employment for cause by giving such person or entity thirty (30) days written notice. All such service or employment shall be for a period of not more than five (5) years.

Any employment or service to be renewed shall be first approved by the consent of the Management Committee.

- 8. Personal Property Ownership and Use. The Management Committee may acquire Owners tangible and intangible personal property and any interest in such property as shall be deemed to be owned by the Owners in the same proportion as their respective interests in the Common Areas. Such interest shall not be transferable except with the transfer of a Unit. A transfer of a Unit shall transfer to the transferee ownership of the transferor's beneficial interest in such property without any reference thereto, and such beneficial interest may in no event be reserved, by the transferor of a Unit. Each Owner may use such property in accordance with the purpose for which it is intended, without hindering or encroaching upon the lawful rights of other Owners. The transfer of title to a Unit under foreclosure shall entitle the purchaser to the interest in such personal property associated with the foreclosure.
- 9. Rules and Regulations. The Management Committee may make reasonable rules and regulations governing the operation and use of the Common Areas and of other matters over which it has jurisdiction, which rules and regulations shall be consistent with the rights and duties established in the Declaration and the Bylaws. The Management Committee may suspend any Owner's voting rights at the meeting of Unit Owners or for periods during which such owner's failure to comply with such rules and regulations, or with any other obligations of such Owner under this Declaration. In order to suspend an Owner's voting rights in any manner, the

Management Committee must first hold a hearing on the matter giving reasonable notice to the accused Owner allowing him an opportunity to be heard. The Management Committee must unanimously agree upon the decision to suspend an Owner's voting rights and all terms and conditions relating thereto. The Management Committee may also take judicial action against any Owner to enforce compliance with such rules and regulations or other obligations or to obtain damages for noncompliance, all to the extent provided by law.

- 10. <u>Capital Improvements</u>. There shall be no structural alterations, capital additions to, or capital improvements of the Common Areas without the prior approval of the Unit Owners holding a majority of the voting power.
- 11. <u>Extended Rights</u>. The Management Committee may exercise any other right or privilege given to it expressly by this Declaration or bylaw, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.
- 12. <u>Architectural Control</u>. The Management Committee shall act in all matters pertaining to architectural control, and shall establish the rules and procedures for submitting plans for approval of any proposed construction, alteration, remodeling, etc. involving any Unit.
- 13. <u>Indemnification of Management Committee</u>. Each member of the Management Committee shall be indemnified and held harmless by the Unit Owners against all costs, expenses, and liabilities whatsoever (excluding fraudulent and/or criminal actions) including, without limitation, attorneys' fees reasonably incurred by him/her in connection with any proceeding to which he/she may become involved by reason of his/her being or having been a member of said Management Committee.
- 14. Association. The conveyance of each Unit and its proportionate share of the Common Areas shall be subject to the covenants, conditions, restrictions, easements, charges, and liens as contained in this Declaration and any supplements or amendments thereto recorded in the Office of the Utah County Recorder, State of Utah, prior to the conveyance of any Unit. The Condominium Declaration provides, inter alia, that all Unit Owners in Vineyard Gateway Professional Center Condominiums shall, upon becoming the same, automatically become members of VINEYARD GATEWAY PROFESSIONAL CENTER CONDOMINIUMS, INC., a Utah Non-Profit Corporation, which shall elect the Management Committee to maintain and administer certain facilities, maintain Common Areas in the Project, enforce the covenants and restrictions imposed in this Declaration, and to collect and disburse the Assessments and VINEYARD GATEWAY charges created herein. PROFESSIONAL CENTER CONDOMINIUMS, INC. has been established for the benefit of the Unit Owners of Vineyard Gateway Professional Center Condominiums Project.

ARTICLE VII ASSESSMENTS

1. Agreement to Pay Assessments. Each Owner of a Unit by the acceptance of a deed or contract therefore, whether or not it be so expressed in the deed or contract, shall be deemed to

covenant and agree with each other and with the Management Committee to pay Assessments made by and for the purposes provided in this Declaration, and Special Assessments for capital improvements and other matters as provided in this Declaration. Such Assessments shall be fixed, established, and collected from time to time in the manner provided herein by the Management Committee which alone shall have such power to assess.

- 2. <u>Basis of Assessments</u>. All Assessments shall be uniform in application. The total Assessments against all Units shall be based upon advance estimates of cash requirements by the Management Committee to provide for the payment of all estimated Common Expenses growing out of or connected with the maintenance and operation of the Common Areas and/or the Project, which estimates may include, among other things, expenses of management, taxes, and Special Assessments levied by governmental authorities until the Units are separately assessed as provided herein; premiums for all insurance which the Management Committee is required or permitted to maintain pursuant hereto; common water and repair and maintenance of the Common Areas; wages for employees of the Management Committee, legal and accounting fees; any deficit remaining from a previous period; creation of a reasonable contingency reserve fund for the periodic maintenance, repair, and replacement of the Common Areas; surplus and/or sinking fund; and any other expenses and liabilities which maybe incurred by the Management Committee for the benefit of the Owners or by reason of this Declaration.
- 3. <u>Apportionment of Expenses</u>. Expenses attributed to the Common Areas and to the Project as a whole shall be apportioned among all Units in proportion to their respective undivided interest in the Common Areas assessable by the Management Committee.
- 4. Notice and Payment of Assessments. Assessments shall be made on a calendar year basis. The Management Committee shall give written notice to each Owner as to the amount of the annual, monthly, or other periodic Assessment with respect to his Unit not less than thirty (30) days nor more than sixty (60) days prior to the beginning of the next calendar year; provided, however, that the first annual, monthly, or other periodic Assessment shall be for the balance of the calendar year remaining after the day fixed by the Management Committee as the date of commencement of the Assessment. Each annual, monthly, or other periodic Assessment shall be due and payable in full and in advance on or before the beginning of the year, month, or other designated period. Each Assessment shall earn interest at the rate of eighteen percent (18%) per annum from the date it becomes due and payable if not paid within fifteen (15) days after such date. The first annual, monthly, or other periodic Assessment becomes due and payable upon the date the Unit Owner purchases his Unit, whether by conveyance of title or entering into a contract of sale and purchase, and thereafter each annual, monthly, or other periodic payment shall be due and payable in advance.
- 5. <u>Special Assessments</u>. In addition to the Assessments authorized hereunder, the Management Committee may levy in any Assessment year Special Assessments, payable over such period as the Management Committee may determine, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of the Common Areas of the Project or any other part thereof, or for any other expenses incurred or to be incurred as provided in this Declaration. This Paragraph shall not be construed as an independent source of authority for the Management Committee to incur expenses, but shall be

construed to prescribe the manner of assessing for expenses authorized herein. Any amount assessed pursuant thereto shall be assessed to Owners in proportion to their respective undivided interest in and to the Common Areas. Notice in writing of the amount of such Special Assessment and the time for payment thereof shall be given promptly to the Owners, and no payment shall be due less than thirty (30) days after such notice shall have been given. A Special Assessment, or any portion thereof as determined by the Management Committee, shall bear interest at the rate of eighteen percent (18%) per annum from the date it becomes due and payable if not paid within fifteen (15) days after such date.

6. <u>Liens for Unpaid Assessments</u>. All sums assessed to any Unit pursuant to this ARTICLE VII, together with interest thereon as provided herein, and all costs, expenses, and attorney's fees incurred, with or without lawsuit or before or after judgment, in collecting delinquent accounts or foreclosing against the Condominium Units concerned, shall be secured by a lien on such Unit in favor of the Association and, upon recording of a Notice of Lien by the Management Committee, shall be a lien upon the Unit prior to all other liens and encumbrances, recorded or unrecorded, except:

A. First Mortgages;

- **B.** Tax and Special Assessment liens on the Unit in favor of any governmental assessment authority or special improvement district; and
- C. Any other encumbrances on the interest of the Unit Owner recorded prior to the date of a Notice of Lien provided for herein is recorded, which by law would be a lien prior to subsequently recorded encumbrances.
- 7. <u>Consent by Lienors</u>. All lienors acquiring liens on any Unit after this Declaration shall have been recorded shall be deemed to consent that such liens shall be inferior to future liens for Assessments, as provided herein, whether or not such consent be specifically set forth in the instrument creating such liens.
- 8. Notice of Lien. To evidence a lien for sums assessed pursuant of this ARTICLE VII, the Management Committee may prepare a written Notice of Lien setting forth the amount of the Assessment, the due date, the amount remaining unpaid, the name of the Owner of the Unit, and a description of the Unit. Such Notice shall be signed by or on behalf of the Management Committee and may be recorded in the Office of the Utah County Recorder, State of Utah. No Notice of Lien shall be recorded until there is a delinquency in payment of the Assessment. Such lien may be enforced by foreclosure by the Management Committee in the same manner in which Mortgages or Trust Deeds on real property may be foreclosed in the State of Utah. In any such foreclosure, the Owner shall be required to pay the costs and expenses of such proceeding, the costs and expenses of filing the Notice of Lien, and all reasonable attorney's fees. All such costs, expenses, and attorney's fees shall be secured by the lien being foreclosed. The lien shall also secure, and the Owner shall also be required to pay to the Management Committee, any Assessment against the Unit which shall become due during the period of foreclosure. The Management Committee shall have the right and the power to bid an amount equal to its then existing lien at the foreclosure sale or other legal sale to acquire, hold, convey, lease, rent,

encumber, use, and otherwise deal with the subject Condominium Unit as the Owner thereof.

- 9. Release of Lien. A Release of Lien shall be executed by the Management Committee and recorded in the Office of the Utah County Recorder, State of Utah, upon payment of all sums secured by a lien which has been made the subject of a recorded Notice of Lien.
- 10. Payment by Encumbrancer. Any encumbrancer holding a lien on a Unit may pay, but shall not be required to pay, any amounts secured by the lien created by this ARTICLE VII, and upon such payments such encumbrancer shall be subrogated to all rights of the Management Committee with respect to such lien, including priority. The Management Committee, upon written request and evidence of such encumbrance, shall report to any encumbrancer of a Unit any unpaid Assessment remaining unpaid for longer than thirty (30) days after the same shall have become due.
- 11. Personal Obligation of Owner. The amount of any Assessment against any Unit shall be the personal obligation of the Owner thereof to the Association. A lawsuit to recover a money judgment for such personal obligation shall be maintainable by the Management Committee, as agent for the Association, without foreclosing or waiving the lien securing the same. No Owner may avoid, abate, or diminish any personal obligation by waiver of the use and enjoyment of any of the Common Areas, by abandonment of his Unit, or by making a claim for inconvenience or discomfort caused by construction or repairs within the Project.
- 12. <u>Information Concerning Unpaid Assessments</u> Upon payment of a reasonable fee not to exceed Twenty Dollars (\$20.00), and upon written request of any Owner, Mortgagee, prospective Mortgagee, or prospective purchaser of a Unit, the Management Committee shall issue a written statement setting forth the amount of the unpaid Assessments, if any, with respect to such Unit; the amount of the current Assessment and the portion thereof, if any, which has theretofore been paid; and credit for advance payments of prepaid items, including but not limited to, an Owners share of prepaid insurance premiums. Such statement shall be conclusive upon such insurance premiums and such statement shall be conclusive upon the Management Committee in favor of persons who rely thereon in good faith.
- 13. <u>Purchaser's Obligation</u>. Subject to the provisions of this ARTICLE VII, a purchaser of a Unit shall be jointly and severally liable with the seller thereof for all unpaid Assessments against the Unit up to the time of the grant or conveyance, without prejudice to the purchaser's right to recover from the seller the amount paid by the purchaser for such Assessments.
- 14. <u>Collection by Management Committee</u>. It is recognized that the Management Committee under this Declaration will maintain the Common Areas of the Project, except as otherwise contained herein. It is further recognized that the Management Committee of the Project is authorized to levy Assessments for the purposes of performing functions it is authorized to perform with the Project. With respect to the Units in the Project, the Management Committee shall be authorized to collect from the Unit Owners and enforce liability for the payment of Assessments levied pursuant to this Declaration.
- 15. Reserve Fund. An adequate reserve fund for the maintenance, repair and replacement of

the Common Areas must be established and shall be funded by the regular annual assessments and shall be paid with the regular monthly installments rather than by special assessments.

ARTICLE VIII RESTRICTIONS

- 1. <u>Commercial Use</u>. Each of the Units in the Project shall be utilized for commercial purposes only and is not intended for residential use. Each Unit maybe rented or leased by the Unit Owner for use and occupancy as herein stated. Any such lease shall be in writing and be subject to the Declaration, Bylaws and rules and regulations adopted by the Management Committee.
- 2. Restrictions Concerning Common Areas. There shall be no obstructions of the Common Areas by the Owners, their tenants, guests, or invitees without the prior written consent of the Management Committee. The Management Committee may by rules and regulations prohibit or limit the use of the Common Areas as may be reasonably necessary for protecting the interests of all the Owners or protecting the Units or the Common Areas. Nothing shall be kept or stored on any part of the Common Areas without the prior written consent of the Management Committee, except as specifically provided herein. Nothing shall be altered on, constructed in, or removed from the Common Areas except upon consent of the Management Committee.
- 3. Miscellaneous Restrictions. Nothing shall be done or kept in any Unit or in the Common Areas or any part thereof which would result in the cancellation of the insurance of the Project or any part thereof, or increase the rate of the insurance on the Project or any part thereof over what the Management Committee, but for such activity, would pay, without the prior written consent of the Management Committee. Nothing shall be done or kept in any Unit or in the Common Areas or any part thereof which would be a violation of any statute, rule, ordinance, regulation, permit, or other validly imposed requirement of any governmental body. No damage to, or waste of, the Common Areas or any part thereof shall be committed by any Owner or any invitee of any Owner, and each Owner shall indemnify and hold the Management Committee and the other Owners harmless against all loss resulting from any such damage or waste caused by his or her invitees; provided, however, that any invitee of the Declarant shall not under any circumstances be deemed to be an invitee of any other Owner. No noxious, destructive, or offensive activity shall be carried on in any Unit or in the Common Areas or any part thereof, nor shall anything be done therein which may be or may become an annoyance or nuisance to any other Owner or to any person at any time lawfully occupying in the Project.
- 4. <u>Animals</u>. No animals of any kind shall be raised, bred, or kept in any Unit or in the Common Areas unless as required by a medical condition.
- 5. <u>No Violation of Rules and Regulations</u>. No Owner shall violate the rules and regulations for the use of the Units and the Common Areas as adopted from time to time by the Management Committee.
- **6.** Restrictions on Alterations. No structural alterations to any Unit shall be made by any Owner without the prior written consent of the Management Committee.

7. <u>Signs</u>. No signs or other advertising shall be displayed which are visible from the exterior of any Unit or on the Common Areas, including For Sale signs, except in conformity with the rules and regulations promulgated by the Management Committee.

ARTICLE IX INSURANCE

- 1. <u>Insurance</u>. The Management Committee shall secure or cause to be secured and maintained at all times as a common expense the following insurance coverage:
- A. A "master" or "blanket" policy or policies of fire and casualty insurance for the full insurable replacement value of the entire Project, covering loss or damage by fire and other perils normally covered by the standard extended coverage endorsement Such policy or Policies shall be consistent with state and local insurance laws and at least equal to such coverage as is commonly required by prudent institutional mortgage investors in the area in which the condominium is located for condominium projects similar in construction location and use. Such policy or policies shall be made payable to the Management Committee and all persons holding an interest in the Project or any of the Units, as their interests may appear.
- A comprehensive general liability insurance policy or Policies insuring the Management Committee the Professional Manager, if any, and the Unit Owners against any liability incident to the Ownership, use, or Operation of the Project, or of any Unit, which may arise among themselves, to the public, and to any invitees or tenants of the Project or of the Unit Owners. Limits of liability under such insurance shall be determined by the Management Committee. Coverage limits shall be in amounts generally required by private institutional mortgage investors for projects similar in construction location, and use. However, such coverage shall be for at least \$1,000,000 for bodily injury, including deaths of persons and property damage arising out of a single occurrence. Coverage under this policy shall include, without limitation, legal liability of the insureds for property damage, bodily injuries and deaths of persons in connection with the operation, maintenance or use of the Common Areas, and legal liability arising out of lawsuits related to employment contracts of the Association. Such policy or policies must provide that they may not be cancelled or substantially modified, by any party, without at least 10 days' prior written notice to the Association and to each holder of a first Mortgage on any Unit which is listed as a scheduled holder of a first Mortgage in the insurance policy.
- **2.** Additional Insurance Provisions. The following additional provisions shall apply with respect to such insurance:
- A. In addition to the insurance described above, the Management Committee may secure and at all times maintain insurance against such risks as are or hereafter may be customarily insured against in connection with condominium projects similar to the Project in construction, nature, and use.
 - **B.** The Management Committee shall have the authority to adjust losses.

- C. Insurance secured and maintained by the Management Committee shall, if possible, provide: (a) a waiver of the insurer's subrogation rights with respect to the Management Committee, the Professional Manager, if any, the Unit Owners, and their respective servants, agents, and guests; (b) that it cannot be canceled, suspended, or invalidated due to the conduct of any member, officer, agent, or employee of the Management Committee or of the Professional Manager, if any, without prior written demand that the defect be cured; and (c) that any "no other insurance" clause therein shall not apply with respect to insurance held individually by the Unit Owners.
- **D.** Any Unit Owner may obtain additional insurance at his own expense, so long as such additional insurance does not have the effect of decreasing the amount which may be realized under any policy maintained by the Management Committee. Any Unit Owner who individually obtains insurance covering any portion of the Project (other than for Unit contents) shall supply the Management Committee with a copy of his policy within thirty (30) days after he acquires such insurance.
- 3. <u>Fidelity Bond</u>. Upon the vote of a majority of the owners, the Management Committee shall secure or cause to be secured and maintained an appropriate fidelity bond coverage for any person or entity handling the funds of the Management Committee, including, but not limited to, employees of the Professional Manager, if any, the amount of such coverage to be equal to the estimated maximum of funds, including reserve funds, in the custody of the person or entity at any given time during the term of the fidelity bond, all as determined by the Management Committee, but not less than a sum equal to twelve (12) months aggregate Assessment on all Units, plus reserve funds. The fidelity bond is to name the Association as an obligee.
- 4. <u>Contents Insurance</u>. The Owners acknowledge that the insurance coverages procured and maintained by the Management Committee for the Condominium Project does not cover for the loss or destruction to the Owners' personal property and contents. Accordingly, the Owners are strongly advised to secure their own content insurance policy or policies to protect their personal property from any such loss, damage, or destruction.
- 5. Other Insurance Required by Law. The Management Committee shall secure or cause to be secured and maintained appropriate insurance coverage as required by law including flood insurance, worker's compensation insurance.
- 6. Named Insured Held in Trust. All insurance policies required herein shall be written on the Project in the name of the Management Committee or the Association, as trustee for each of the Unit Owners in the percentages of ownership in the Common Areas as established herein and the proceeds of such insurance policies shall be held in trust for Unit Owners and their first Mortgage holders, as their interests may appear.
- 7. Other insurance Requirements. Each Unit Owner and each Unit Owner's Mortgagee, if any, shall be beneficiaries of any of the policies the Management Committee is required herein to procure in the percentage of ownership of the Common Areas. Certificates of insurance on all such policies shall be issued to each Unit Owner and Mortgagee upon request. Such policies

shall contain the standard mortgage clause, or equivalent endorsement (without contribution), which is commonly accepted by private institutional mortgage investors in Utah and which appropriately names the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation if such corporation are holders of first Mortgages on Units within the Project. Such policies shall also provide that they may not be cancelled or substantially modified, without at least 10 days' prior written notice to the Association and to each holder of a first Mortgage listed as a scheduled holder of a first Mortgage in the policies. Such policies shall contain (1) a waiver of the right of subrogation against Unit Owners individually, (2) that the insurance is not prejudiced by any act or neglect of individual Unit Owners which is not in the control of such Owners collectively, and (3) that the policy is primary in the Unit Owners has other insurance covering the same loss (the requirement stated in this sentence are generally provided by the insurer in the form of a "Special Condominium Endorsement" or its equivalent). All policies of insurance required herein shall be procured through generally acceptable insurance carriers.

ARTICLE X DAMAGE DESTRUCTION.AND RESTORATION

- 1. <u>Damage to Project</u>. In the event of damage to or destruction of part or all of the improvements in the Condominium Project, the following procedures shall apply:
- A. If proceeds of the insurance maintained by the Management Committee are alone sufficient to repair or reconstruct the damaged or destroyed improvements, such repair or reconstruction shall be carried out as soon as possible.
- **B.** If less than seventy-five percent (75%) of the Project's improvements are destroyed or substantially damaged, and if proceeds of the insurance maintained by the Management Committee are not sufficient to accomplish repair or reconstruction, restoration shall be carried out upon approval of at least fifty percent (50%) of the affected Unit Owners. All affected Owners shall be assessed equally for any deficiency on the basis of their respective percentage of undivided interest in the Common Areas and Facilities.
- C. If seventy-five percent (75%) or more of the Project's improvements are destroyed or substantially damaged, and if proceeds of the insurance maintained by the Management Committee are insufficient to accomplish restoration, and if the Unit Owners within one hundred (100) days after the destruction or damage by a vote of at least seventy-five percent (75%) elect to repair or reconstruct the affected improvements, restoration and Assessment therefore shall be accomplished in the manner directed under ARTICLE X, Paragraph 1, Subparagraph A above.
- **D.** If seventy-five percent (75%) or more of the Project's improvements are destroyed or substantially damaged, and if proceeds of the insurance maintained by the Management Committee are insufficient to accomplish restoration, and if the Unit Owners do not, within one hundred (100) days after the destruction or damage and by a vote of at least seventy-five percent (75%) elect to repair or reconstruct the affected improvements, the Management Committee shall promptly record with the Utah County Recorder a notice setting

forth such facts in accordance with the provisions of Utah Code Annotated, Section 57-8-31. Upon the recording of such notice, the provisions of Utah Code Annotated, Section 57-8-31 shall apply and govern the rights of all parties having an interest in the Project or any of the Units.

E. Any reconstruction or repair which is required to be carried out by this ARTICLE X shall be accomplished at the instance and direction of the Management Committee. Any determination which is required to be made by this ARTICLE X regarding the extent of the damage to or destruction of Project improvements shall be made by three (3) appraisers selected by the Management Committee. The decision of any two (2) such appraisers shall be conclusive. Any restoration or repair of the Project after damage due to an insurable hazard shall be substantially in accordance with the Declaration and the Record of Survey Map unless the approval of eligible holders of first Mortgages on Units to which 51% of the votes of Units subject to Mortgages held by such eligible holders are allocated is obtained.

ARTICLE XI MORTGAGES AND MORTGAGEE PROTECTION

- 1. <u>Notice of Mortgage</u>. Any Owner who mortgages his Unit shall furnish the Management Committee the name and address for such Mortgagee, and the Management Committee shall maintain such information in a book entitled "Mortgagees of Units." The Management Committee shall report to such Mortgagee any unpaid Assessments due from the Owner of such Unit at the same time as the Management Committee makes demand on the Owner thereof for payment of such delinquent Assessment.
- 2. <u>Right to Examine Books and Records</u>. A Mortgagee shall have the right to examine the books and records of the Association and the Management Committee upon written request, and to require annual reports of the financial status of the Association.
- 3. <u>Notice of Damage</u>. In the event of substantial damage to or destruction of any Unit or any part of the Common Areas, the Mortgagee of any Unit shall be entitled to timely written notice of any such damage or destruction. No Unit Owner of other party shall be entitled to priority over such Mortgagee with respect to the distribution to such Unit of any insurance proceeds.
- 4. <u>Notice of Default</u>. Any Mortgagee is entitled to written notification from the Management Committee of any default by the Owner of such Unit in the performance of any obligation under this Declaration which is not cured within thirty (30) days.
- 5. Effect of Foreclosure on Liens. Each Mortgage of a Unit who comes into possession of such Unit by virtue of foreclosure of the Mortgage, or by deed or assignment in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the Unit free of any unpaid claims or Assessments and charges against the Unit which accrued prior to the time such holder comes into possession of the Units, except for claims for a pro-rata share of such Assessments or charges resulting from a pro-rata reallocation of such Assessments or charges to all Units in the Project, including the mortgaged Unit.

- 6. <u>Condemnation or Eminent Domain</u>. If any Unit or portion thereof Or the Common Areas or any portion thereof is made the subject-matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the institutional holder of any first Mortgage of a Unit shall be entitled to timely written notice of any such proceeding or proposed acquisitions and no Unit Owner or other party shall have priority over such institutional holder with respect to the distribution to such Unit of the proceeds of any award or settlement. Any restoration or repair of the Project after a partial condemnation shall be substantially in accordance with the Declaration and the Record of Survey Map unless the approval of eligible holders of first Mortgages on Units to which 51% of the votes of Units subject to Mortgages held by such eligible holders are allocated is obtained.
- 7. <u>General Mortgagee Protection</u>. Unless all Mortgagees have been given advanced written notice and unless at least seventy-five percent (75%) of the Mortgagees (based on one vote for each Mortgage owned) of Units have given their prior written approval, neither the Management Committee nor the Association of Unit Owners shall:
- A. By act or omission, seek to abandon or terminate the Project, except for abandonment or termination provided bylaw in the case of substantial destruction by fire or other casualty or in the case of taking by condemnation or eminent domain.
- **B.** Change the pro-rata interest on obligations on any Unit for: (a) purposes of levying Assessments or charges or allocating distributions or hazard insurance proceeds or condemnation awards; or (b) determining the pro-rata share of ownership of each Unit in the appurtenant Common Areas.
 - C. Partition or subdivide Units.
- D. Make any material amendment to the Declaration or to the l3ylaws of the AssoCiati0n~ including but not limited to, any amendment which would change the percentage interest of the Unit Owners in the Common Areas, would change the boundaries of any unit or the exclusive easement rights appertaining thereto, or would change the purposes to which any unit or the Common Areas are restricted.
- E. By act or omission, seek to amend, partition, subdivide, encumber, sell or transfer, the Common Areas. The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Areas of the Project shall not be deemed a transfer within the meaning of this ARTICLE XI.
- **F.** Use hazard insurance proceeds for losses to any Project property (whether to Units or to the Common Areas) for other than repair, replacement, or reconstruction of such improvements, except as provided by the Act in cases of substantial loss to the Units and/or the Common Areas of the Project.
 - G. Terminate professional management and assumes self-management of the Project.
- 8. <u>Insurance Notice</u>. The Association shall give all Mortgagees timely written notice of

any lapse, cancellation, or material modification of any insurance policy maintained by the Association and required herein.

ARTICLE XII ASSOCIATION BYLAWS

1. <u>Bylaws</u>. The Bylaws of the Association are attached hereto as Exhibit (C) and incorporated herein by this reference.

ARTICLE XIII GENERAL PROVISIONS

- 1. Amendments. Except as provided below, the vote of at least seventy-five percent (75%) of the undivided ownership interest in and to the Common Areas shall be required to amend this Declaration or the Record of Survey Map. Any amendment so authorized shall be accomplished through the recordation of any instrument executed by the Management Committee. In such instrument the Management Committee shall certify that the vote required by this Paragraph for amendment has occurred. notwithstanding the above, until: (a) one hundred twenty (120) days following which title to Units representing seventy-five percent (75%) of the votes of Unit Owners shall have been conveyed by Declarant to the purchasers thereof; or (b) the expiration of five (5) years after the first conveyance of title to any Unit purchasers whichever occurs first, Declarant shall have and is hereby vested with the exclusive right to amend this Declaration or the Record of Survey Map. Such right in Declarant to amend shall obtain without regard to the subject-matter of amendment, so long as the amendment involved is consistent with the Act.
- 2. <u>Consent Equivalent to Vote</u>. In those cases in which the Act or this Declaration requires the vote of a stated percentage of the Project's undivided ownership interest in and to the Common Areas for the authorization or approval of a transaction, such requirement may be fully satisfied by obtaining, with or without a meeting, consents in writing to such transaction from Unit Owners who collectively hold at least the necessary percentage of such undivided ownership interest.
- 3. <u>Service of Process</u>. Service of Process shall be received by **John MacKay**. He shall serve as agent for service of process in cases authorized by the Act. The Management Committee shall, however, have the right to appoint a successor or substitute service of process agent. Such successor or substitute agent and his address shall be specified by an appropriate instrument filed in the Office of the Utah County Recorder, State of Utah.
- 4. <u>Enforcement</u>. Each Unit Owner shall comply strictly with the provisions of this Declaration, the Bylaws, the administrative rules and regulations promulgated pursuant thereto, as the same may be lawfully amended from time to time, and with the decisions adopted pursuant to this Declaration, the Bylaws, and the administrative rules and regulations. Defaulting Owners shall pay all costs and expenses incurred in enforcing the provisions hereof, including reasonable attorney's fees and costs and monies paid and due for damages or injunctive relief, or both, maintainable by the Management Committee on behalf of the Association of Unit Owners, or in a proper case, by an aggrieved Unit Owner.

- 5. Covenants to Run with Land. This Declaration and all the provisions hereof shall constitute covenants to run with the land, and/or equitable servitudes, as the case maybe, and shall be binding upon and inure to the benefit of the Declarant, all parties who hereafter acquire any interest in a Unit or in the Project, and their respective grantees, transferees, heirs, devisees, personal representatives, successors, and assigns. Each Owner or occupant of a Unit shall comply with, and all interests in all Units shall be subject to, the terms of the Act, the provisions of this Declaration, the Bylaws of the Association, and the rules, regulations, agreements, instruments, and determinations contemplated by this Declaration, and failure to comply shall be grounds for an action to recover sums due for damages or injunctive relief or both, maintainable by the Management Committee on behalf of the Association of Unit Owners, or, in a proper case, by an aggrieved Unit Owner. By acquiring any interest in a Unit or in the Project, the party acquiring such interest consents and agrees to be bound by each and every provision of this Declaration.
- 6. <u>Waiver</u>. No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of time lapse or the number of violations or breaches which may occur.
- 7. Party Walls. Each wall located on the dividing line between Units shall constitute a party wall, and the general rules of law regarding part walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.
- 8. <u>Number and Gender</u>. Whenever used herein, the Singular number includes the plural whenever the context so indicates The neuter gender includes the feminine and the masculine, the masculine includes the feminine arid the neuter, and the feminine includes the masculine and the neuter, and each includes corporation Partnership, limited liability company, or other legal entity when the context so requires
- 9. <u>Severability</u>. If any of the provisions of this Declaration or any article, section, provision, paragraph sentence, clause, phrase, or word or the application thereof in any circumstances be invalidated such invalidity shall not affect the validity of the remainder of the Declaration and the application of any such article, section, provision, paragraph, sentence, clause, phrase, or word in any other circumstances shall not be affected thereby.
- 10. <u>Topical Headings.</u> The headings appearing at the beginning of the articles, sections, and Paragraphs of this Declaration are Only for convenience of reference, and are not intended to describe interpret, define, or otherwise affect the content, meaning, or intent of this Declaration or any provision hereof.
- 11. <u>Governing Law, Jurisdiction and Venue</u>. This Declaration is governed by the laws of the State of Utah in all respects and venue in the courts of Utah County, State of Utah.
- 12. <u>Effective Date</u>. This Declaration, any amendment or supplement hereto, and any amendment or supplement to the Record of Survey Map shall take effect upon its being filed for record in the Office of the Utah County Recorder, State of Utah.

IN WITNESS WHEREOF, the Declarant has duly executed this Declaration on the day and year herein first above written.

DECLARANTS

1443 WEST 800 NORTH, LLC, a Utah limited liability company

Its: MANAGER

STATE OF UTAH) ss COUNTY OF UTAH)

On the 17th day of September, 2020, personally appeared before me John MacKay, the Manager of 1443 WEST 800 NORTH, LLC, a Utah limited liability company, who being by me duly sworn did day that he signed the foregoing instrument on behalf of 1443 WEST 800 NORTH, LLC

Notary Public

JOSH MAYNARD
NOTARY PUBLIC - STATE OF UTAH
COMMISSION NO. 701794
COMM. EXP. 08/21/2022

EXHIBIT A LEGAL DESCRIPTION

Commencing at a point located South 00°47'56" East along the Section line 317.06 feet and East 880.76 feet from the West quarter corner of Section 9, Township 6 South, Range 2 East, Salt Lake Base and Meridian; thence North along said Easterly boundary line of Plat "L", Bunker Business Park 288.09 feet; thence South 89°36'21" East 246.79 feet; thence South along the Westerly boundary line of Plat "G", Bunker Business Park 286.39 feet to the Northerly boundary line of Plat "A", Bunker Business Park; thence West along said Northerly boundary line 246.79 feet to the point of beginning.

Area = 70,887 sq.ft. or 1.63 Acres.

Basis of bearing is South 00°47'56" East along the Section line from the West quarter corner to the Southwest corner of Section 9, Township 6 South, Range 2 East, Salt Lake Base and Meridian.

EXHIBIT "B"
VINEYARD GATEWAY PROFESSIONAL CENTER CONDOMINIUMS PROJECT

			Undivided Percentage	
	Net	Gross	Ownership in	
Unit Square		Square	Common Areas	Number of
number	Feet	Feet	of Project	Votes
101	2,022.00	2,550.81	7.9139%	1
102	2,313.00	2,917.91	9.0528%	1
103	4,135.00	5,216.41	16.1839%	1
201	2,715.00	3,425.04	10.6262%	1
202	3,062.00	3,862.79	11.9843%	1
203	2,809.00	3,543.63	10.9941%	1
301	2,519.00	3,177.79	9.8591%	1
302	2,412.00	3,042.80	9.4403%	1
303	3,563.00	4,494.82	13.9452%	1
Total	23,528.00	32,232.00	100.0000%	9

EXHIBIT "C"

BYLAWS OF VINEYARD GATEWAY PROFESSIONAL CENTER CONDOMINIUMS, INC.

ARTICLE I PLAN OF OWNERSHIP

1. Project. The Project located on the Property legally described as:

(See Exhibit "A" to the Declaration for Property Description)

Is known as VINEYARD GATEWAY PROFESSIONAL CENTER CONDOMINIUMS and is located in the city of Orem, Utah County, State of Utah. Said Property is hereby submitted to the provisions of Utah Code Annotated Section 57-8-1, et seq.

- 2. Offices. The principal office of the Association shall be at 1443 West 800 North, Orem, Suite 103, Utah 84057.
- 3. <u>Bylaws Applicability</u>. The provisions of these Bylaws are applicable to the Project. (The term "Project" as herein used shall include the land.)
- 4. <u>Personal Application</u>. All present or future Owners, tenants, future tenants, or their employees, or any other person that might use the facilities of the Project in any manner are subject to the regulations set forth in these Bylaws.

The mere acquisition or rental of any of the Units of the Project or the mere act of occupancy of any of the Units will signify that these Bylaws are accepted, ratified, and will be complied with.

ARTICLE II VOTING, QUORUM, AND PROXIES

- 1. <u>Voting</u>. With respect to each matter submitted to a vote of the members, each Member entitled to vote at the meeting shall have the right to cast, in person or by proxy, the number of votes appertaining to the Condominium of such Member, as shown in the Declaration. The affirmative vote of a majority of the votes entitled to be cast by the Members present or represented by proxy at a meeting at which a quorum was initially present shall be necessary for the adoption of any matter voted on by the Members, unless a greater proportion is required by the Articles of Incorporation, these Bylaws, the Declaration, or Utah law. The election of Directors shall be by secret ballot. If a membership is jointly held, all or any holders thereof may attend each meeting of the Members, but such holders must act unanimously to cast the votes relating to their joint Membership.
- 2. Quorum. At any meeting of the Members, the presence of Members holding, or holders of proxies entitled to cast, more than sixty-seven percent (67%) of the Total Votes of the

Association shall constitute a quorum for the transaction of business. In the event a quorum is not present at a meeting, the Members present (whether represented in person or by proxy), though less than a quorum, may adjourn the meeting to a later date. Notice thereof shall be delivered to the Members as provided above. At the reconvened meeting, the Members and proxy holders present shall constitute a quorum for the transaction of business.

3. Proxies. At each meeting of the Members, each Member entitled to vote shall be entitled to vote in person or by proxy; provided, however, that the right to vote by proxy shall exist only where the instrument authorizing such proxy to act shall have been executed by the Member himself duly authorized in writing. If a Membership is jointly held, the instrument authorizing a proxy to act must have been executed by all holders of such Membership duly authorized in writing. Such instrument authorizing a proxy to act shall be delivered at the beginning of the meeting to the Secretary of the Association or to such other officer or person who may be acting as secretary of the meeting. The secretary of the meeting shall enter a record of all such proxies in the minutes of the meeting.

ARTICLE III ADMINISTRATION

- 1. <u>Association Responsibilities</u>. The Owners of the Units will constitute VINEYARD GATEWAY PROFESSIONAL CETNER CONDOMINIUMS, INC., hereinafter referred to as the "Association", who will have the responsibility of approving the annual budget and special assessments as presented by the Management Committee as set forth in the Declaration and in these Bylaws, and electing the Members of the Management Committee who will administer the Project, establish and collect monthly assessments and arrange for the operation, maintenance and management of the Project on behalf of the Association.
- 2. <u>Place of Meetings</u>. The Management Committee may designate any place in Utah County, State of Utah as the place of meeting for any annual meeting or for any special meeting called by the Committee. A waiver of notice signed by all of the Members may designate anyplace, either within or without the State of Utah, as the place for holding such meeting. If no designation is made, or if a special meeting is otherwise called, the place of the meeting shall be at the principal office of the Association.
- 3. Annual Meetings. Annual meetings shall be held on the second Tuesday of of each year beginning with the year 20_ at the hours of _____ o'clock a.m., for the purpose of electing Management Committee by ballot and transacting such other business as may come before the meeting. If the election of the Management Committee shall not be held on the day designated herein for the annual meeting of the Members, or at any adjournment thereof, the Management Committee shall cause the election to be held at a special meeting of the Members to be convened as soon thereafter as may be convenient. The Management Committee may from time to time by resolution change the date and time for the annual meeting of the Members.
 - 4. Special Meetings. It shall be the duty of the President to call a special meeting of

the Owners as directed by resolution of the Management Committee or on petition signed by at least thirty-three percent (33%) of the Members and having been presented to the Secretary. No business shall be transacted at a special meeting except as stated in the notice unless by consent of 4/5 of the Members present, either in person or by proxy.

- 5. Notice of Meetings. The Secretary shall cause written or printed notice of the time, place, and purposes of all meetings of the Members (whether annual or special) to be delivered, not more than fifteen (15) nor less than seven (7) days prior to the meeting, to each Member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the U.S. mail addressed to the Member at his registered address, with first-class postage thereon prepaid. Each Member shall register with the Association such Member's current mailing address for purposes of notice hereunder. Such registered address may be changed from time to time by notice in writing to the Association. If no address is registered with the Association, a Member's Unit address shall be deemed to be his registered address for purposes of notice hereunder.
- 6. <u>Adjourned Meetings</u>. If any meeting of Members cannot be organized because a quorum has not attended, the Members who are present either in person or by proxy may adjourn the meeting to a time not less than 48 hours from the time the original meeting was called.
- Members of Record. Upon purchasing a Condominium in the Project, each Owner shall promptly furnish to the Association a certified copy of the recorded instrument by which ownership of such Condominium has been vested in such Owner, which copy shall be maintained in the records of the Association. For the purpose of determining Members entitled to notice of or to vote at any meeting of the Members, or any adjournment thereof, the Management Committee may designate a record date, which shall not be more than thirty (30) days nor less than seven (7) days prior to the meeting, for determining Members entitled to notice of or to vote at any meeting of the Members. If no record date is designated, the date on which notice of the meeting is mailed shall be deemed to be the record date for determining Members entitled to notice of or to vote at the meeting. The persons or entities appearing in the records of the Association on such record date as the Owners of record of Condominiums in the Project shall be deemed to be the Members of record entitled to notice of and to vote at the meeting of the Members.
- 8. <u>Informal Action by Members</u>. Any action that is required or permitted to be taken at a meeting of the Members may be taken without a meeting, if a consent in writing, setting forth the action so taken, shall be signed by eighty percent (80%) of the Members entitled to vote with respect to the subject matter thereof.
- 9. Order of Business. The order of business at all Association meetings shall be as follows:
 - (a) Roll call
 - (b) Proof of notice of meeting or waiver of notice
 - (c) Reading of minutes of preceding meeting
 - (d) Reports of Officers

- (e) Report of Committee
- (f) Election of Inspectors of Election
- (g) Election of Management Committee Members
- (h) Unfinished business
- (i) New Business
- 10. <u>Project Documents</u>. The Association shall maintain and have available current copies of the Declaration, Bylaws and other rules concerning the Project as well as its own books, records and financial statements available for inspection by Members, or by holders, insurers, and guarantors of first mortgages that are secured by Units in the Project These documents will be available during normal business hours.
- 11. Availability of Unaudited Financial Statements. The association shall make an unaudited financial statement for the preceding fiscal year available to the holder, insurer or guarantor of any first mortgage that is secured by a Unit in the Project on submission of a request for it. Such unaudited financial statements shall be available within 120 days of the Association's fiscal year end.

ARTICLE IV MANAGEMENT COMMITTEE

- 1. <u>Status and General Authority of Committee.</u> The Association's affairs shall be governed by a Management Committee. The committee shall, in connection with its exercise of any of the powers hereinafter provided, constitute a legal entity capable of dealing in the Committee's name. The Management Committee shall have the powers and duties necessary for the administration of Association's affairs and may do all such acts and things as are not by law or by these Bylaws directed to the exercised and done by the Members. The Management Committee shall have, and is hereby granted, the following general authority and powers:
 - (a) The authority with the consent of the Members or of any other person(s) to grant or create on such terms as it deems advisable, utility and similar easements over, under, across, and through the Common Areas.
 - (b) The authority to execute and record, on behalf of all Members, any amendments to the Declaration or the Map which have been approved by the vote or consent necessary to authorize such amendment.
 - (c) The power to sue and be sued.
 - (d) The authority to enter into contracts relating to the Common Areas and other matters over which it has jurisdiction so long as any vote or consent of the Members necessitated by the subject matter of the agreement has been obtained.
 - (e) The power and authority to convey or transfer an interest in real property, so long as the vote or consent necessary under the circumstances has been obtained.

- (f) The authority to promulgate such reasonable rules, regulations and procedures as may be necessary or desirable to aid the Committee in carrying out its function or to ensure that the Project is maintained and used in a manner consistent with the interests of the Members.
- (g) The power and authority to perform any other acts and to enter into any other transactions, subject to the rights of the Association, which may be reasonably necessary for the Management Committee to perform its functions as agent for the Members. Any instrument executed by the Management Committee relating to the Common Areas of the Project that recites facts which, if true, would establish the Committee's power and authority, shall be conclusive in favor of any person who in good faith and for value relies upon said instrument.
- 2. <u>Other Duties</u>. In addition to duties imposed by these Bylaws, or by resolutions of the Association, the Management Committee shall be responsible for the following:
 - (a) The care, upkeep and surveillance of the Project Common Areas and Facilities. The Management Committee shall provide maintenance and repairs upon all Common Areas and Facilities including, but not limited to the following: roads, parking lots, retaining walls, fences, sewer mains, water mains, snow removal and landscaping, including all trees, shrubs, grass, etc., as exist upon the Common Areas. The Management Committee shall provide exterior maintenance for the Building, including the following: paint, repair, replacement and care of decks, roofs, gutters, downspouts and exterior Building surfaces. Such exterior maintenance shall not include glass windows for Units.
 - (b) Collection of monthly assessments for the Owners.
 - (c) Designation and dismissal of the personnel necessary for the maintenance and operation of the Project, the Common Area and Facilities, and the Limited Common Areas and Facilities.
- 3. <u>Composition of Committee</u>, <u>Election, Vacancy</u>. The Management Committee shall be composed of three (3) Committee Members, with all Committee Members elected for a one-year term. Members shall serve on the Committee until their successors are elected. Only Association Members and officers, directors, agents and employees of Association Member other than individuals shall be eligible for Committee Membership.

At the annual meeting of the Association, each Association Member may vote his percentage of undivided ownership interest in favor of as many candidates or Committee Memberships as there are seats of the Committee to be filled; provided, however, that until Members representing seventy-five (75%) percent of the undivided ownership interest in the real property subject hereto (including all real property which has been annexed into the Project) shall have been conveyed by Declarant to the purchasers thereof, the Declarant alone shall have the right to select the Management Committee or act as the Management Committee itself. However, Declarant may waive the right at any time prior to the occurrence of the aforesaid event by (I)

notifying Members in writing of such waiver of the right, and (2) filing for record in the Office of the Utah County Recorder a written notice of waiver of the right whereupon Members shall promptly hold a meeting to elect a new Management Committee, it being established hereby that the control of the Members in the Management Committee shall automatically vest thirty (30) days following the date such waiver is recorded by Declarant. In the event a Committee seat which was filed by the Declarant becomes vacant, Declarant has the right to select a replacement Member to sit on the Committee for the balance for the term associated with the vacated seat. In all other cases of vacancy, the remaining Committee Members shall elect a replacement to sit on the Committee until the expiration of the term for which the Committee Member being replaced was elected.

- 4. Resignation and Removal of Committee Members. A Committee Member may resign at any time by delivering a written resignation to either the President or the Management Committee. Unless otherwise specified therein, such resignation shall take effect upon delivery. At any regular or special meeting of the Association duly called, any one or more of the Committee Members may be removed with or without cause by a majority of the Association Members, and a successor may then and there be elected to fill the vacancy thus created. Any Committee Member whose removal had been proposed by the Association Members shall be given an opportunity to be heard at the meeting.
- 5. Right of Delegation to Manager. The Management Committee may carry out any of its functions which are capable of delegation through a Manager. The Manager so engaged shall be responsible for managing the Common Areas and shall, to the extent permitted by law and the terms of the agreement with the Management Committee, be authorized to perform any of the functions or acts required or permitted to be performed by the Management Committee itself.
- 6. Payment of Services, Etc. The Management Committee may obtain and pay for the services of any person or entity to manage its affairs, or any part thereof, to the extent it deems advisable, as well as such other personnel as the Management Committee shall determine to be necessary or desirable for the proper operation of its function in the Project, whether by such Committee or by any person or entity which whom it contracts. The Management committee may obtain and pay for the corporation of the project or the enforcement of this declaration. It is recognized that the Committee may arrange with other persons to furnish snow removal, ground maintenance and other common services to the Project, whether such personnel are furnished or employed directly by the Management Committee.
- 7. Personal Property Ownership and Use. The Management Committee may acquire and hold for the use and the benefit of all the Members tangible and intangible personal property and may dispose of the same by sale or otherwise, and the beneficial interest in any such property shall be deemed to be owned by the Members in the same proportion as their respective interests in the Common Areas. Such interest shall not be transferable except with the transfer of a Unit. A transfer of a unit shall transfer to the transferee ownership of the transferor's beneficial interest in such property without any reference thereto, and such beneficial interest may in no event be reserved, by the transferor of a unit. Each Member may use such property in accordance with the purpose for which it is intended, without hindering or encroaching upon the lawful

rights of other Members. The transfer of title to a Unit under foreclosure shall entitle the purchaser to the interest in such personal property associated with the foreclosure.

- 8. Rules and Regulations. The Management Committee may make reasonable rules and regulations governing the operation and use of the Common Areas and other matters over which it has jurisdiction, which rules and regulations shall be consistent with the rights and duties established in the Declaration and the Bylaws. The Management Committee may suspend any Member's voting right at the meeting of Association Members during any period or such periods during which such Member fails to comply with such rules and regulations, or with any other obligations of such Members under the Declaration. The Management Committee may also take judicial action against any Member to enforce compliance with such rules and regulations or other obligation or to obtain damages for noncompliance, all to the extent provided by law.
- 9. <u>Capital Improvements</u>. There shall be no structural alterations, capital additions to, or capital improvements of the Common Areas requiring expenditures in excess of \$5,000.000 without the prior approval of the Members holding a majority of the voting rights.
- 10. <u>Extended Rights</u>. The Management Committee may exercise any other right or privilege given to it expressly by the Declaration, these Bylaws, or by law and every other right or privilege reasonable to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.
- 11. Organizational Meeting. The first meeting of the newly elected Management Committee shall be held within ten (10) days of election of said Committee at the first annual meeting of the Association or at succeeding annual meetings of the Association at such place as shall be fixed by the Association Members at the meeting at which such Committee Members were elected, and no notice shall be necessary to the newly elected Committee Members in order legally to constitute such meeting, provided a majority of the whole Committee shall be present.
- 12. Regular Meetings. Regular meetings of the Management Committee may be held at such time and place as shall be determined from time to time, by a majority of the Committee Members but at least two (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Management Committee shall be given to each Committee Member, personally or by mail, telephone or facsimile at least three (3) days prior to the day named for such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the U.S. mail so addressed, with first-class postage thereon prepaid. If notice is given by facsimile, such notice shall be deemed to have been delivered when the facsimile is transmitted and the facsimile machine used to transmit such notice produces a receipt that the target destination was contacted and that such transmission was made.
- 13. Special Meetings. Special meetings of the Management Committee may be called by the President on three (3) days notice to each Committee Member, given personally, by mail, telephone or facsimile, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the U.S. mail so addressed, with first-class postage thereon prepaid. If notice is given by facsimile, such notice shall be deemed to have been delivered when the facsimile is transmitted

and the facsimile machine used to transmit such notice produces a receipt that the target destination was contacted and that such transmission was made. Special meetings of the Management Committee shall be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) Committee Members.

- 14. <u>Waiver of Notice</u>. Before or at any meeting of the Management Committee, any Committee Member may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Committee Member at any meeting of the Committee shall be a waiver of notice by him of the time and place thereof. If all Committee Members are present at any meeting of the Committee, no notice shall be required and any business may be transacted at such meeting.
- 15. <u>Management Committee's Quorum</u>. At all meetings of the Management Committee, a majority of the then authorized number of Committee Members shall constitute a quorum for the transaction of business and the acts of the quorum shall be the acts of the Management Committee.
- 16. <u>Indemnification of Management Committee</u>. Each Member of the Management Committee shall be indemnified and held harmless by the Association Members against all costs, expenses and liabilities whatsoever (excluding fraudulent and/or criminal actions) including, without limitation, attorneys' 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.
- 17. <u>Compensation</u>. No Committee Member shall receive compensation for any services that he may render to the Association as a Committee Member; provided, however, that a Committee Member may be reimbursed for expenses incurred in performance of his duties as a Committee Member to the extent such expenses are approved by the Management Committee and (except as otherwise provided in these Bylaws) may be compensated for services rendered to the Association other than in his capacity as a Committee Member.

ARTICLE V OFFICERS

- 1. <u>Designation</u>. The principal officers of the association shall be a President, Vice President, Secretary and Treasurer, all of whom shall be elected by and from the Management Committee. The Committee Members may appoint and assistant secretary and an assistant treasurer, and such other officers as in their judgment may be necessary. The offices of Treasurer and Secretary may be filled by the same person.
- 2. <u>Election of Officers</u>. The officers of the Association shall be elected annually by the Management Committee at the organization meeting of each new Committee and shall hold office at the pleasure of the Committee. In the event of failure to choose officers at such regular annual meeting of the Management Committee, officers may be chosen at any regular or special meeting of the Management Committee. Each such officer (whether chosen at a regular annual meeting of the Management Committee or otherwise) shall hold his office until the next ensuing

regular annual meeting of the Management Committee and until his successor shall have been chosen and qualified, or until his death, or until his resignation, disqualification, or removal in the manner provided in these Bylaws, whichever first occurs. Any one person may hold any two or more of such offices, except that the President may not also be the Secretary. No person holding two or more offices shall act in or execute any instrument in the capacity of more than one office.

- 3. Removal and Resignation of Officers. On an affirmative vote of a majority of the Members of the Management Committee, any officer may be removed, either with or without cause and his successor elected at any regular meeting of the Management Committee or at any special meeting of the Committee called for such purpose. Any officer may resign at any time by delivering a written resignation to the President or the Management Committee. Unless otherwise specified therein, such resignation shall take effect upon delivery.
- 4. <u>President</u>. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Management Committee. He shall have all of the general powers and duties that usually vested in the office of President of an association, including, but not limited to, the power to appoint committees from among the Association Members from time to time as he may in his discretion decide is appropriate to assist in the conduct of the Association's affairs.
- 5. <u>Vice President</u>. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Management Committee shall appoint some other Member of the Committee to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed on him by the Management Committee.
- 6. <u>Secretary</u>. The Secretary shall keep the minutes of all meetings of the Management Committee and the minutes of all meetings of the Association. He shall have charge of such books and paper as the Management Committee may direct; and he shall, in general, perform all duties incident to the office of Secretary.
- 7. <u>Treasurer</u>. The Treasurer shall have responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belongings to the Association. He shall be responsible for the deposit of all money and other valuable effects in the name and to the credit of the Association, in such depositories as may from time to time be designated by the Management Committee.
- 8. <u>Compensation</u>. No officer shall receive compensation for any services that he may render to the Association as an officer, provided, however, that an officer may be reimbursed for expenses incurred in performance of his duties as an officer to the extent such expenses are approved by the Management Committee and (except as otherwise provided in these Bylaws) may be compensated for services rendered to the Association other than in his capacity as an officer.

ARTICLE VI OBLIGATION OF OWNERS

- 1. <u>Assessments</u>. All Association Members are obligated to pay annual assessments imposed by the Management Committee to meet all project common expenses. Such assessments shall be fixed, established and collected from time to time in the manner provided herein. Assessments shall be subject to change.
 - (a) <u>Basis of Assessments</u>. The total annual assessments against all Units shall be based upon advance estimates of cash requirements by the Management Committee to provide for the payment of all estimated expenses growing out of or connected with the maintenance and operation of the Common Areas and/or the common properties, which estimates may include among other things, expenses of management; taxes and special assessment levied by governmental authorities until the Units are separately assessed as provided herein; premiums for all insurance which the Management Committee is required or permitted to maintain pursuant hereto; common lighting, water and sewer expenses; repair, replacement and maintenance of the Common Areas and a reserve therefore; wages for employees of the Committee; legal and accounting fees; any deficit remaining from a previous period; and any other expenses and liabilities which may be incurred by the Committee for the benefit of the owners or by reason of this declaration.
 - (b) Apportionment of Expenses. Expenses attributing to the Common Areas and to the project as a whole shall be apportioned among all Units in proportion to their undivided interest in the Common Areas assessable by the Management Committee provided, however, that for this purpose Declarant shall be deemed to own only the undivided interest in the Common Areas based upon Units which have been completed but not conveyed by Declarant.
 - (c) Method, Payment of Assessments, Etc. Annual assessments shall be made on a calendar-year basis. The Committee shall give written notice to each Association Member as to the amount of the annual assessment with respect to his Unit not less than thirty (30) days nor more than sixty (60) days prior to the beginning of the next calendar year, provided, however, that the first annual assessment shall be for the balance of the calendar year remaining after the day fixed by the Committee as the date of commencement of the assessment, which commencement date shall be no later than sixty (60) days after the first Unit is convey. Each annual assessment shall be due and payable in monthly installments. Each monthly installment shall bear interest at the rate of eighteen percent (18%) per annum from the date it becomes due and payable if not paid within thirty (30) days after such date. Such monthly installment becomes payable upon the date the Unit Owner purchases his Unit, whether by conveyance of title or entering into a contract of sale and purchase, and thereafter each monthly payment shall be due and payable on the first day of each and every month in advance.

Committee shall make assessments to find the maintenance costs of all common elements.

The committee shall make assessments to fund the maintenance cost of all limited common elements. In the event adjoining owners wish to maintain these areas independent of the Association, the Association may waive a portion or all of the fees assigned to the limited Common Areas. Management Committee retains the right to impose fees without the adjoining owners' agreement if they feel that the maintenance provided does not meet the Association standards.

- (d) Special Assessments. In addition to the annual assessments authorized hereunder, the Management Committee may levy in any assessment year special assessments, subject to the provisions of Section 9 of Article IV above, payable over such period as the Management Committee may determine, for the purpose of defraying, in whole or impart, the cost of any construction or reconstruction, unexpected repair or replacement of the Common Areas of the project or any other part thereof, or for any other expenses incurred or to be incurred as provided in the Declaration and these Bylaws. This paragraph shall not be construed as an independent source of authority for the Management Committee to incur expenses, but shall be construed to prescribe the manner of assessing for expenses authorized by other paragraphs hereof. Any amount assessed pursuant thereto shall be assessed to Owners in proportion to their respective undivided interest in the Common Areas. Declarant's interest in the Common Areas shall be determined on the same basis as set forth in subparagraph (c) above. Notice in writing of the amount of such special assessment and the time for payment thereof shall be given promptly to the Owners, and no payment shall be due less than thirty (30) days after such notice shall have been given. A special assessment shall bear interest at the rate of eighteen percent (18%) per annum from the date it becomes due and payable if not paid within thirty date after such date.
- (e) Working Capital Fund. The Management Committee shall establish a working capital fund to meet unforeseen expenditures or to purchase any additional equipment or services, with the Declarant providing the initial working capital fund in an amount that is at least equal to two months of estimated common charges for each Unit. The Declarant shall be reimbursed for each Unit share of the working capital fund at the time the sale of each Unit is closed. Any amounts paid into this fund shall not be considered as advance payments of regular assessments. The working capital fund will be transferred to the Association for deposit to a segregated fund when control of the Association is transferred to the Unit Owners. The Declarant may not use the working capital funds to defray any of its expenses, reserve contributions or construction costs or to make up any budget deficits while it is in control of the Association.
- (f) <u>Liens for Unpaid Assessments</u>. All sums assessed to any Unit pursuant to this section, together with interest thereon as provided herein, shall be secured by a lien on such Unit in favor of the Management Committee. Such lien shall be superior to all other liens and encumbrances on such Unit, except only for:
 - (1) Governmental assessment authority; and
 - (2) Encumbrances on the interest of the Unit Owner recorded prior to the date notice of the lien provided for herein is recorded, which by law would be alien prior to subsequently recorded encumbrances.

All other lienors acquiring liens on any Unit after the Declaration and these Bylaws have been recorded shall be deemed to consent that such liens shall be inferior to future liens for assessments, as provided herein, whether or not such consent be specifically set forth in the instrument creating such liens.

To evidence a lien for sums assessed pursuant to this Section, the Management Committee may prepare a written notice of lien setting forth the amount of the assessment, the due date, the amount remaining unpaid, the name of the Owner of the Unit, and a description of the Unit. Such notice shall be signed by the Management Committee and may be recorded in the Office of the County Recorder of Utah County. State of Utah. No notice of lien shall be recorded until there is a delinquency in payment of the assessment. Such lien may be enforced by foreclosure by the Management Committee in the same manner in which mortgages or trust deeds on real property may be foreclosed in Utah. In any such foreclosure, the Owner shall be required to pay the cost and expenses of such proceeding, the cost and expenses of fling the notice of lien, and all reasonable attorneys' fees. All such costs, expenses and fees shall be secured by the lien being foreclosed, the lien shall also secure, and the Owner shall also be required to pay to the Management Committee any assessments against the Unit which shall become due during the period of foreclosure. The Management Committee shall have the right and the power to bid an amount equal to its then existing lien at the foreclosure sale or other legal sale, and to acquire, hold convey, lease, rent, encumber, use and otherwise deal with the same as the owner thereof.

- (g) Release of Lien. A release of notice of lien shall be executed by the Management Committee and recorded in the Office of the County Recorder of Utah County, State of Utah, upon payment of all sums secured by a lien which has been made the subject of a recorded notice of lien.
- (h) <u>Payment by Encumbrancer</u>. Any encumbrancer holding a lien on a Unit may pay, but shall not be required to pay, any amounts secured by the lien created by this Section, and upon such payments such encumbrancer shall be subrogated to all rights of the Management Committee with respect to such lien, including priority.

The Management Committee shall report to any encumbrancer of a Unit any unpaid assessments remaining unpaid for longer than sixty (60) days after the same shall have become due; provided however, the such encumbrancer first shall have furnished to the Management Committee written notice of such encumbrance.

(i) <u>Personal Obligation Assessments</u>. The amount of any annual or special assessment against any Unit shall be the personal obligation of the Owner thereof to the Management Committee. Suit to recover a money judgment for such personal obligation shall be maintained by the Management Committee without foreclosing or waiving the lien securing the same. No Owner may avoid of diminish any personal obligation by waiver of the use and enjoyment of any of the Common Areas or by abandonment of his Unit.

- Information Concerning Unpaid Assessments. Upon payment of a (i) reasonable fee not to exceed ten dollars (\$10.00) and upon written request of any Owner. mortgagee, prospective mortgagee or prospective purchase of a Unit, the Management Committee shall issue a written statement setting forth the amount of the unpaid assessments, if any, with respect to such Unit; the amount of the current yearly assessment and the portion thereof which has theretofore been paid; and credit for advance payments of prepaid items, including, but not limited to, an Owner's share of prepared insurance premiums. Such statement shall be conclusive upon such Management Committee in favor of persons who rely thereon in good faith. Unless such request for a statement of account shall be complied with within ten (10) day, all unpaid assessments which became due prior to the lien of the mortgagee which became due prior to the date of making such request shall be subordinate to the lien of the mortgage which acquired its interest subsequent to requesting such statement. Where a prospective purchases makes such request, both the lien for such unpaid assessments and the personal obligation of the purchaser shall be released automatically if (1) the statement is not furnished within the ten (10) day period provided herein, (2) thereafter an additional written request is made by such purchaser which is not complied with within ten (10) days, and (3) the purchaser subsequently acquires the Unit.
- (k) <u>Purchaser's Obligation</u>. Subject to the provisions of subparagraph (g), a purchaser of a Unit shall be jointly and severally liable with the seller for all unpaid assessments against the Unit up to the time of the grant or conveyance, without prejudice to the purchaser's right to recover from the seller the amount paid by the purchaser for such assessments.
- (l) <u>Collection by the Committee</u>. It is recognized that the Committee will maintain the Common Areas of the project, except as otherwise state herein. It is further recognized that the Committee is authorized to levy assessment for the purposes of performing functions it is authorized to perform within the project. With respect to the Units in the project, the Committee shall be authorized to collect from the Unit Owners and enforce liability for the payment of assessments levied pursuant to the Declaration and these Bylaws. Notwithstanding any provision of the Declaration or the Bylaws to the contrary, any proceeding, suit or action as may be deemed necessary to recover a money judgment respecting any assessments levied or fixed by the Management Committee shall be maintained on behalf of the Association at the instance and suit of the Management Committee.

3. <u>Maintenance and Repair.</u>

(a) Each Unit Owner is responsible for the interior maintenance of his Unit. Each Owner at his own cost and expense shall maintain, repair paint, repaint, tile, wax, paper or otherwise finish and decorate the interior walls and trim the interior surfaces of the walls, ceilings, floors and windows and doors forming the boundaries of this Unit and all walls, ceiling, floors windows and doors within such boundaries. In addition to decorating and keeping the interior of his Unit in good repair and in a clean and sanitary condition, he shall be responsible for the maintenance, repair or replacement of any

plumbing fixtures, water heater, heating equipment, air conditioner, lighting fixtures, refrigerator, or other appliances or fixtures that may be in or connect within his Unit. Every Owner must perform promptly all maintenance and repair work within his own Unit which, if omitted, would affect the project in its entirety or in part belong to other Owners, being expressly responsible for the damages and liabilities that his failure to do so may engender.

- (b) All the repairs of internal installations of the Unit, such as water, light, gas, power, sewage, telephone, air conditioning, sanitary installations, doors, windows, lamps and all other accessories belonging to a Unit shall be at the Owner's expense.
- (c) In the event that an Owner of any Unit in the Condominium Project shall fail to maintain his Unit in a manner satisfactory to the Association, the Management Committee, after approval by a two-third (2/3) vote of the Association, shall have the right, through its agents and employees to enter said Unit and to repair, maintain and restore the Unit. The cost of such maintenance shall be added to and become a part of the assessment to which such Unit is subject.
- (d) In the event that the need for maintenance or repair of the Common Areas and Facilities is caused through the willful or negligent acts of an Owner, employees, agents, or invitees of an Owner, the cost of such maintenance or repair shall be added to and become a part of the assessment to which such Owner's Unit is subject; provided, however, that no such fees shall be assessed until the Management Committee has given notice to such Owner of its intent to make such an assessment and gives the Owner an opportunity to be heard by the Management Committee with respect to any defenses to such assessment.
- 4. <u>Changes to Individual Units</u>. An Owner shall not make structural modification or alteration in or to the outside of his Unit or installations located therein or cause to be placed or erected on the Common Areas any out-buildings.

5. Use of the Common Areas and Facilities.

- (a) The Common Areas may be scheduled with the Secretary of the Management Committee for uses associated with regular business activities etc.
- (b) Owners using the Common Areas are responsible for cleaning up any litter as a result of such use.

6. Right of Entry.

(a) An Owner shall grant the right of entry to the Management Committee or to any other person authorized by the Management Committee in case of emergency originating in or threatening his Unit, whether the Owner, or their representatives, are present at the time or not.

(b) An Owner shall permit other Owners, or their representatives, when so required, to enter his Unit for the purpose of installing, altering, or repairing mechanical or electrical service, provided that the request for such entry are made in advance and that such entry is at a time convenient to the Owner. In case of emergency, such rights of entry shall be made immediate.

7. Rules of Conduct.

- (a) No Unit of the project shall post any advertisements or posters of any kind in or on the project except as authorized by the Management Committee, in which event any and all such signs shall be displayed in a tasteful manner.
- (b) Units shall exercise care in making noises or using musical instruments, radios, television, and amplifiers that may disturb other Units. The existence of animals shall be prohibited as provided the Declaration and these Bylaws.
- (c) No Owner, or lessee shall install wiring for electrical or telephone installation, television and antenna, machines, air conditioning units, satellite receivers, or the like, on the exterior of the Project or that protrude through the walls or the roof of the Project except as authorized by the Management Committee.
- (d) The Management Committee may from time to time adopt, amend, repeal, and enforce reasonable rules and regulations governing the use and operation of the Project, to the extent that such rules and regulations are not inconsistent with the rights and duties set forth in the Articles of Incorporation, the Declaration, or these Bylaws. The Association Members shall be provided with copies of all rules and regulations adopted by the Management Committee, and with copies of all amendments and revisions thereof
- 8. Rights of action. The Association and any aggrieved Unit Owner shall be granted a right of action against Unit Owners who fail to comply with the provisions of the Declaration, Bylaws, or rules and regulations adopted by the Management Committee, or with decisions of the Association. Unit Owners shall not have a similar right of action against the Association.
- 9. <u>Declarant</u>. Except as otherwise provided herein or in the Declaration, when there are unsold Units in the Project, the Declarant also enjoys the same rights and assumes the same duties as they relate to each individual unsold Unit.

ARTICLE VII METHOD OF AMENDING BYLAWS

1. Amending Bylaws. These Bylaws may be amended by the Association in a duly constituted meeting for such purpose, and no amendment shall take effect unless approved by Association Members representing at least two-thirds (67%) of the total undivided interest in the Common Areas in the project as shown in the Declaration. Until Units representing seventy-five percent (75%) of the undivided ownership interest in the real property subject hereto have been conveyed to purchaser, or the expiration of five (S) years after the first conveyance of title

to any Unit purchased, whichever occurs first, Declarant shall have and is hereby vested with the right to amend these Bylaws. Such right shall obtain without regard to the subject matter of the amendment, so long as the amendment is consistent with law.

2. <u>Consent Equivalent to Vote</u>. In those cases in which the Act or these Bylaws require the vote of a stated percentage of the Project's undivided Ownership interest for the authorization or approval of a transaction, such requirement may be fully satisfied by obtaining, with or without a meeting, consents in writing to such transaction from Unit Owners who collectively hold at least the necessary percentage of undivided Ownership interest.

ARTICLE VIII MORTGAGES

Notice to the Management Committee. An Owner who mortgages his Unit shall notify the Management Committee of the name and address of his mortgagee and the Management Committee shall maintain such information in a book entitled "Mortgagee of Unit."

ARTICLE IX COMPLIANCE

These Bylaws are set forth to comply with the requirements of the Utah Code Annotated. In case there is any conflict between these Bylaws and the Utah Code Annotated, the provisions of the Utah Code Annotated will supersede and apply. Likewise, in the case of any conflict between these Bylaws and Declaration, the Declaration shall supersede and apply

Adopted and executed by the Declarant (as the sole owner of all Units in the Project) as of the date the Declaration is recorded.

IN WITNESS WHEREOF the undersigned, constituting all of the Members of Vineyard Gateway Professional Center Condominiums, Inc., have executed these Bylaws on the 17th Day of September, 2020.

1443 WEST 800 NORTH, LLC, A Utah limited liability company

John MacKay, Manager