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FIRST AMENDMENT OF  
DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS

OF

CHATEAU FORET PHASE II CONDOMINIUM DEVELOPMENT

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**APPROVED BY VOTE OF THE SHAREHOLDERS AND RESOLUTION OF THE  
BOARD OF DIRECTORS EFFECTIVE AS OF THE 16<sup>TH</sup> DAY OF JULY, 2001.**

Upon recommendation of the Chateau Foret Phase II Homeowners' Association's (the "Association") Board of Directors the members considered this First Amendment to Declaration of Covenants, Conditions and Restrictions of Chateau Foret Phase II Condominium Development at a second special meeting of the Association's members (the first meeting having been continued in the absence of the requisite quorum) on the 16<sup>th</sup> day of July, 2001, and adopted this First Amendment to Declaration of Covenants, Conditions and Restrictions of Chateau Foret Phase II Condominium Development by vote as required by law, the original Declaration of Covenants, Conditions and Restrictions of Chateau Foret Phase II Condominium Development, and/or the Association's Bylaws. On the date of the aforementioned second special meeting of the shareholders there were forty-two (42) Class A members entitled to cast a single vote each, 27 Class A votes indisputably represented, 23 Class A votes cast for this First Amendment to Declaration of Covenants, Conditions and Restrictions of Chateau Foret Phase II Condominium Development, 1 Class A vote cast against this First Amendment to Declaration of Covenants, Conditions and Restrictions of Chateau Foret Phase II Condominium Development, and 3 Class A votes abstaining from the vote in question.

WHEREFORE, THIS FIRST AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF CHATEAU FORET PHASE II CONDOMINIUM DEVELOPMENT (the "Amendment") is effected this 16<sup>th</sup> day of July, 2001 by the Board of Directors of the Association.

**RECITALS**

A. Whereas Declarant executed and caused to be recorded that certain Declaration of Covenants, Conditions and Restrictions of Chateau Foret Phase II Condominium Development (the "Declaration") dated April 22, 1996, and caused the same to be recorded in the office of the Salt Lake County Recorder; and

B. Whereas the Declaration subjects that certain real property more particularly described in Exhibit A hereto to the provisions of the Act; and

C. Whereas Article X Paragraph 3 of the Declaration provides that the Declaration may be amended by the members at any time by a vote of at least sixty percent (60%) of all Class A membership votes; and

D. Whereas, as set forth above, sixty percent (60%) or more of the Association's Class A members desire to amend the Declaration as stated herein.

NOW, THEREFORE, the Declaration is amended, as follows:

## AMENDMENT

Articles 1 through X and all subparagraphs and subparts set forth therein are hereby revoked and replaced in their entirety with the following:

### ARTICLE I DEFINITIONS

#### 1.01 Basic Definitions.

As used in this Declaration, the following terms have the meanings given to them in this Section 1.01.

(a) "Act" means the Utah Condominium Ownership Act, Utah Code Annotated §§57-8-1 through 57-8-36 (Supp. 1997), as the same may be amended from time to time.

(b) "Area," when reference is made to a Unit or Units, means the total number of square feet of the ground or floor surface thereof, rounded to the nearest whole number ending in zero. The measurements used in determining Area shall run from the interior surfaces of the walls surrounding the Unit concerned and each separate level, story, or floor contained within or making up the Unit shall be taken into account and, subject to the following provisions, shall augment the Area thereof. So long as it substantially complies with the provisions of this Section 1.01(c) and is not arbitrary, Declarant's determination of the Area of a Unit, as set forth in this Declaration or in any amendment hereto shall be conclusive.

(c) "Articles" means the articles of incorporation of the Association, as the same may be amended from time to time.

(d) "Assessment" means a General Assessment, a Special Assessment, or a Default Assessment levied and assessed pursuant to Article VII below.

(e) "Assessment Lien" has the meaning given to that term in Section 7.08 below.

(f) "Association" means the association of Unit Owners known as the Chateau Foret Phase II Homeowners' Association, Inc., a Utah nonprofit corporation, and its successors and assigns.

(g) "Association Documents" means this Declaration, the Articles, the Bylaws, and the Rules and Regulations, as the same may be amended from time to time.

(h) "Building[s]" means a structure containing or to contain one or more Units or Common Elements.

(i) "Bylaws" means the bylaws of the Association, attached hereto and forming a part hereof, as the same may be amended from time to time.

(j) "Common Elements" means the General Common Elements and the Limited Common Elements.

(k) "Common Expenses" means:

(i) any and all costs, expenses and liabilities incurred by or on behalf of the Association, including, without limitation, costs, expenses and liabilities for (A) managing, operating, insuring, improving, repairing, replacing, and maintaining the Common Elements; (B) providing facilities, services, and other benefits to Owners; (C) administering and enforcing the covenants, conditions, restrictions, reservations, and easements created hereby including, but not limited to, the Rules and Regulations; (D) levying, collecting, and enforcing the Assessments, charges, and liens imposed pursuant hereto; (E) regulating and managing the Condominium Project; and (F) operating the Association;

(ii) costs, expenses, and liability agreed upon as Common Expenses by the Association or declared to be Common Expenses by this Declaration, the Act, or the Association;

(iii) all sums lawfully assessed against the Unit Owners; and

(iv) reserves for any such costs, expenses and liability.

(l) "Condominium Project" means the real estate condominium project created on the Land by this Declaration, consisting of the Units and the Common Elements, known as Chateau Foret Phase II Condominium Development.

(m) "Condominium Unit" means a Unit together with:

(i) the Interest in General Common Elements appurtenant to that Unit;

(ii) the right to the exclusive or nonexclusive use of the General Common Elements and Limited Common Elements appurtenant to that Unit, if any; and

(iii) the membership in the Association appurtenant to that Unit.

(n) "Declarant" means Iverson Properties, L.C., a Utah limited liability company, and its successors and assigns.



(o) "Declaration" means this Declaration of Covenants, Conditions and Restrictions of Chateau Foret Phase II Condominium Development, as the same may be amended from time to time.

(p) "Default Assessment" has the meaning given to that term in Section 7.06 below.

(q) "Director" means a duly elected or appointed member of the Management Committee.

(r) "First Mortgage" means any Mortgage which is not subordinate to any other lien or encumbrance, except liens for taxes or other liens which are given priority by statute.

(s) "First Mortgagee" means a Mortgagee under a First Mortgage.

(t) "General Assessment" has the meaning given to that term in Section 7.04 below.

(u) "General Common Elements" means all of the areas of the Condominium Project, other than the Units and the Limited Common Elements. Without limiting the generality of the preceding sentence, the General Common Elements include, without limitation:

(i) the Land;

(ii) all Improvements, including, without limitation, the foundations, columns, girders, beams, supports, perimeter and supporting walls, utility systems, mechanical systems, sprinkler systems, exhaust, heating and ventilation systems, storage areas, roofs, halls, corridors, lobbies, stairs, stairways, fire escapes, chimneys, drainage facilities, outdoor water features, gazebos, yards, gardens, parking areas, patios, balconies, decks, porches, courtyards, swimming pools, stoops, exits and entrances, tanks, pumps, motors, fans, compressors, ducts, and in general all apparatus and installations existing for common use, and all other parts of the Land and Buildings necessary or convenient to the existence, maintenance, and safety of the Condominium Project, or normally in use by two or more Units, except for those Improvements that are designated by the Act or by this Declaration as Units or Limited Common Elements; and

(iii) any parcels of real property and improvements and fixtures located thereon (A) that are owned by a Person other than the Association, but in which the Association has rights of use or possession pursuant to this Declaration or a lease, license, easement, or other agreement, and (B) that are used or possessed by the Association for the benefit of all Owners.

(v) "Guest" means any family member, employee, agent, independent contractor, lessee, customer, or invitee of an Owner.

(w) "Improvement" means the Buildings, together with any other building, structure, or other improvement (including, without limitation, all fixtures and improvements contained therein) located on the Land and within which one or more Units or Common Elements are or will be located.

(x) "Interest in General Common Elements" means the undivided interest in the General Common Elements appurtenant to each Unit, determined in accordance with the terms and conditions of Section 3.03 below.

(y) "Land" means the real property which Article II of this Declaration submits to the terms of the Act.

(z) "Limited Common Elements" means the Limited Common Elements designated by this Declaration for the exclusive use of one or more Units, but fewer than all of the Units. Without limiting the generality of the foregoing, "Limited Common Elements" includes, without limitation,

(i) the mechanical rooms, balconies, elevators and/or elevator lobbies, interior hallways and corridors, and storage areas of the Buildings, and any other physical portion of the Condominium Project falling within the definition of Limited Common Elements herein;

(ii) any shutters, awnings, window boxes, windows, doors, doorsteps, porches, balconies, patios, and other apparatus intended to serve a single Unit but located outside the boundaries of such Unit;

(iii) all installations for and all equipment connected with furnishing the Condominium Project with utility service, including, but not limited to, utility systems, mechanical systems, and exhaust and ventilation systems;

(iv) patios, decks, porches, elevators, hallways and waiting areas, laundry facilities, storage spaces, parking areas, entrances, exits, and walkways and other areas and improvements that are designed to serve fewer than all of the Units; and

(v) any parcels of real property and Improvements and fixtures located thereon (A) that are owned by a Person other than the Association, but in which the Association has rights of use or possession pursuant to this Declaration or a lease, license, easement, or other agreement, and (B) that are used or possessed by the Association for the benefit of Owners of fewer than all of the Units.

If any chute, flue, duct, wire, conduit, bearing wall, bearing column, or other structural component, any portion of a mechanical system, or any fixture (exclusive of each unit's air conditioner which are not common elements) lies partially within and partially outside of the designated boundaries of a Unit, any portion thereof serving only that Unit is a Limited Common Element allocated solely to that Unit, and any portion thereof serving more than one Unit or any portion of the Common Elements is a part of the General Common Elements. Nonstructural walls located wholly within a Unit are a part of the Units in which they are located.

(aa) "Management Committee" means the Association's board of directors which shall also be and have all of the rights, duties, and authority of the management committee described by the Act, except as otherwise expressly provided herein.

(bb) "Majority," regardless of whether capitalized, means the Owners of more than fifty percent (50%) of the aggregate Interest in General Common Elements:

(cc) "Mortgage" means any mortgage, deed of trust, or other document pledging any Condominium Unit or interest therein as security for payment of a debt or obligation.

(dd) "Mortgagee" means any Person named as a mortgagee or beneficiary in any Mortgage and any successor to the interest of any such Person under a Mortgage.

(ee) "Officer" means a duly elected or appointed officer of the Association.

(ff) "Owner" means the Person who is the record holder of legal title to the fee simple interest in any Condominium Unit as reflected in the Salt Lake County Records. If there is more than one record holder of legal title to a Condominium Unit, each record holder shall be an Owner. The term "Owner" includes Declarant to the extent that Declarant is the record holder of legal title to the fee simple interest in a Condominium Unit. Notwithstanding any applicable theory relating to a mortgage, deed of trust, or like instrument, the term "Owner" shall not mean or include a mortgagee or a beneficiary or trustee under a deed of trust unless and until such Person has acquired title pursuant to foreclosure or any arrangement or proceeding in lieu thereof.

(gg) "Person" means any natural person, corporation, partnership, limited liability company, association, trustee, governmental or quasi-governmental entity, or any other entity capable of owning real property under the laws of the State of Utah.

(hh) "Purchaser" means a Person, other than Declarant or a Successor Declarant, who acquires legal title to the fee simple interest in any Condominium Unit or portion thereof.

(ii) "Record," "Recording," "Recorded," and "Recorder" each have the meaning stated in Utah Code Annotated §57-3-1 through §57-3-2, as the same may be amended from time to time.

(jj) "Rules and Regulations" means any instrument adopted from time to time by the Association for the regulation and management of the Condominium, as the same may be amended from time to time.

(kk) "Salt Lake County Records" means the Official Records for Salt Lake County, Utah.

(ll) "Share of Common Expenses" means the share of Common Expenses allocated to each Unit in accordance with the terms and conditions of Section 7.02 below.

(mm) "Special Assessment" has the meaning given to that term in Section 7.05 below.

(nn) "Special Declarant Rights" means all rights that Declarant reserves for itself in this Declaration.

(oo) "Successor Declarant" means any Person who succeeds to any Special Declarant Right.

(pp) "Unit" means a physical portion of the Condominium Project that:

(i) is any of the separately numbered and individual condominium units described on the Chateau Foret Phase II Condominium Development Plat;

(ii) consists of one or more rooms or spaces located in one or more floors or parts of floors located in a Building; and

(iii) is designated for separate ownership and independent use.

The walls, floors, or ceilings are designated as boundaries of a Unit, and all paneling, tiles, wallpaper, painting, finished flooring, and any other materials constituting any portion of the finished surfaces thereof are part of the Unit, and all other portions of the walls, floors, and ceilings are part of the Common Elements.

(qq) "Unit Number" means the number, letter, or combination thereof which designates a Unit.

1.02 Gender and Number.

Wherever the context of this Declaration so requires:

- (a) words used in the masculine gender shall include the feminine and neuter genders;
- (b) words used in the neuter gender shall include the masculine and feminine genders;
- (c) words used in the singular shall include the plural; and
- (d) words used in the plural shall include the singular.

## ARTICLE II SUBMISSION

### 2.01 Submission.

There is hereby submitted to the provisions of the Act, as the Land associated with the Chateau Foret Phase II Condominium Development, the following-described parcel of real property situated in Salt Lake County, State of Utah:

That certain real property which is the subject of the Declaration,

TOGETHER WITH: (i) all Buildings, if any, improvements, and structures situated on or comprising a part of the above-described parcel of real property; (ii) all easements, rights-of-way, and other appurtenances and rights incident to, appurtenant to, or accompanying said parcel; and (iii) all articles of personal property intended for use in connection with said parcel.

ALL OF THE FOREGOING IS SUBJECT TO: all liens for current and future taxes, assessments, and charges imposed or levied by governmental or quasi-governmental authorities; all patent reservations and exclusions; any mineral reservations of record and rights incident thereto; all instruments of record which affect the above-described Land or any portion thereof, including, without limitation, any mortgage or deed of trust; all visible easements and rights-of-way; all easements and rights-of-way of record; any easements, rights-of-way, encroachments, or discrepancies otherwise existing; an easement for each and every pipe, line, cable, wire, utility line, or similar facility which traverses or partially occupies the above-described Land at such times as construction of all improvements is complete; and all easements necessary for ingress to, egress from, maintenance of, and replacement of all such pipes, lines, cables, wires, utility lines, and similar facilities.

### 2.02 Covenants Running with the Land.

All covenants, conditions, restrictions, reservations, easements, charges, liens and other provisions of this Declaration are covenants running with the land, or equitable servitudes, as the

case may be. The obligations, burdens and benefits created by this Declaration shall bind and inure to the benefit of Declarant, the Owners (as such term is defined below), the Association (as that term is defined below), all other parties having any, right, title or interest in the Land or any portion thereof and their respective successors, assigns, heirs, devisees, executors, administrators and personal representatives. Each Owner shall comply strictly with the covenants, conditions and restrictions as set forth in this Declaration or in the deed to his Unit, and with the Bylaws and/or house rules and with the administrative rules and regulations drafted pursuant thereto, as either of the same may be lawfully amended from time to time, and failure to comply shall be ground for an action to recover sums due for damages, injunctive relief or both, maintainable by the Management Committee on behalf of the Owners, or in a proper case, by an aggrieved Owner.

2.03 Statement of Intention.

The condominium project to be created on the Land is hereby created pursuant to and shall be governed by the provisions of the Act.

ARTICLE III  
BUILDINGS, UNITS, AND COMMON ELEMENTS

3.01 The Buildings.

The Improvements included in the Condominium Project are now or will be located on the Land. The significant Improvements contained in the Condominium Project include six (6) Buildings containing a total of forty-two (42) Units, forty-two (42) assigned exterior parking spaces, approximately twenty-four (24) unassigned parking spaces, storage areas, asphalt or concrete driveways, and the Common Elements. The Condominium Project also contains other improvements of a less significant nature, such as outdoor lighting, fencing, area landscaping, and concrete sidewalks and walkways.

3.02 Units.

(a) Each Unit shall be capable of being separately owned, encumbered and conveyed. Each Owner of a Unit shall be entitled to the exclusive ownership and possession of such Owner's Unit, subject to the terms and conditions of this Declaration.

(b) No Owner may alter its Unit, subdivide its Unit, or relocate the boundaries between a Unit and an adjacent Unit, except as expressly provided by this Declaration and the Act.

(c) Except as expressly provided to the contrary in this Declaration, the Interest in General Common Elements and the right to use Limited Common Elements appurtenant to the Unit may not be partitioned or separated from the Unit or any part thereof; provided that this subparagraph shall not prejudice or otherwise affect the rights

set forth in Article XIII and Article XIV of this Declaration in the event of casualty or condemnation.

(d) Notwithstanding anything to the contrary contained in paragraphs 3.02(b) and 3.02(c) above or elsewhere in this Declaration, an Owner may grant its rights to use any General Common Element or any Limited Common Element appurtenant to the Owner's Unit to the Owner's Guests.

### 3.03 Interests in General Common Elements.

(a) The Interests in General Common Elements shall be allocated among the Units as set forth in this Section 3.03. The Interest in General Common Elements appurtenant to a Unit shall be equal to one divided by the total number of units, forty-two (42) – in other words, each unit shall have an equal interest in the General Common Elements appurtenant to and associated with it.

(b) The Interest in General Common Elements shall have a permanent character and shall not be altered without the express consent of all Owners expressed in an amendment to this Declaration adopted as provided in Section 18.03 hereof.

(c) Except as expressly provided to the contrary elsewhere in this Declaration, an Interest in General Common Elements may not be partitioned from the Unit to which it is appurtenant, and any purported conveyance, encumbrance or transfer of an Interest in General Common Elements made without the Unit to which the Interest in General Common Elements is appurtenant shall be void. The immediately foregoing sentence shall not prejudice or otherwise affect the rights set forth in Articles XIII and XIV of this Declaration in the event of casualty or condemnation. There shall not be any restriction upon an Owner's right of ingress to and egress from such Owner's Unit.

### 3.04 Limited Common Elements.

Except as expressly provided to the contrary in this Declaration, the allocation of the Limited Common Elements to the Units may not be altered without the consent of all Owners whose Units would be affected by such reallocation. Use of non-assigned parking areas and/or storage areas and lockers located within the Limited Common Elements of a Building is only available to Owners of Units within said Building pursuant to separate lease agreements with the Association. No Unit Owner has a right to use such additional parking or storage areas absent such a lease agreement.

### 3.05 Separate Taxation of Condominium Units.

Pursuant to the Act, each Condominium Unit constitutes a separate parcel of real estate and will be separately assessed and taxed.

3.06 Description of Condominium Units.

Any deed, lease, mortgage, deed of trust, or other instrument conveying, encumbering, or otherwise affecting a Condominium Unit shall describe the interest or estate substantially as follows:

[Unit \_\_\_\_], contained within the Chateau Foret Phase II Condominium Development as the same is identified in the Chateau Foret Phase II Condominium Development Plat (as said Plat shall have heretofore been amended or supplemented) and in the Declaration of Covenants, Conditions and Restrictions of Chateau Foret Phase II Condominium Development, recorded in Salt Lake County, Utah on or about April 22, 1996, in Book No. 7392 at Page 1936 (as said Declaration may have heretofore been amended or supplemented). TOGETHER WITH the undivided ownership interest in said Condominium Project's Common Elements that is appurtenant to said Unit as more particularly described in said Declaration.

Whether or not the description employed in any such instrument is in the above-specified form, however, all provisions of this Declaration shall be binding upon and shall inure to the benefit of any party who acquires any interest in a Condominium Unit. Neither the Interest in General Common Elements, nor the right of exclusive use of a Limited Common Elements, shall be separated from the Unit to which it appertains; and, even though not specifically mentioned in the instrument of transfer, such Interest in the General Common Elements and such right of exclusive use shall automatically accompany the transfer of the Unit to which they relate.

3.07 Interpretation.

In interpreting this Declaration, or any deed or other instrument affecting the Building or a Unit, the boundaries of the Building or Unit constructed or reconstructed in substantial accordance with this Declaration shall be conclusively presumed to be the actual boundaries, regardless of settling or lateral movement of the Building and regardless of minor variance between boundaries of the Building or Unit.



ARTICLE IV  
THE ASSOCIATION

4.01 Formation of the Association.

Declarant or one or more of its successor(s) in interest formed the Association for the efficient preservation of the values and amenities of the Property.

4.02 Purposes and Powers.

(a) The Association's purposes are:

(i) to manage, operate, insure, construct, improve, repair, replace, alter, and maintain the Common Elements;

(ii) to provide certain facilities, services and other benefits to the Owners;

(iii) to administer and enforce the covenants, conditions, restrictions, reservations, and easements created hereby;

(iv) to levy, collect, and enforce the Assessments, charges, and liens imposed pursuant hereto;

(v) to enter into agreements with other Persons, including, without limitation, easements, licenses, leases, and other agreements with one or more Persons for facilities and services that serve the Association;

(vi) to take any action that it deems necessary or appropriate to protect the interests and general welfare of Owners;

(vii) to regulate and manage the Condominium Project; and

(viii) to execute and record, on behalf of all Owners, any amendment to this Declaration which has been approved by the vote or consent necessary to authorize such amendment.

(b) Unless expressly prohibited by law or any of the Association Documents, the Association may:

(i) take any and all actions that it deems necessary or advisable to fulfill its purposes;

(ii) exercise any powers conferred on it by the Act or any Association Document; and

(iii) exercise all powers that may be exercised in Utah by nonprofit corporations.

(c) Without in any way limiting the generality of paragraph 4.02(b) above, the Association may, but is not obligated to:

(i) to the extent not provided by a public, quasi-public or private utility provider, provide certain facilities and services to the Owners, such as (A) recreational facilities and services, (B) water, sewer, natural gas, electric, cable television, and other utility services, (C) parking facilities, and (D) trash collection facilities and services for residential purposes only;

(ii) acquire, sell, lease and grant easements over, under, across and through Common Elements which are reasonably necessary to the ongoing development and operation of the Condominium Project;

(iii) borrow monies and grant security interests in the Common Elements and in the assets of the Association as collateral therefor;

(iv) make capital improvements, repairs, and replacements to Common Elements; and

(v) hire and terminate managers and other employees, agents, and independent contractors.

#### 4.03 Association Documents.

(a) This Declaration creates the Condominium Project and sets forth certain covenants, conditions, restrictions, reservations, easements, assessments, charges, and liens applicable to the Land. The Articles create the Association. The Bylaws provide for the regulation and management of the Association, and the Rules and Regulations provide for the regulation and management of the Condominium Project.

(b) If there is any conflict or inconsistency between the terms and conditions of this Declaration and the terms and conditions of the Articles, the Bylaws, or the Rules and Regulations, the terms and conditions of this Declaration shall control. If there is any conflict or inconsistency between the terms and conditions of the Articles and the terms and conditions of the Bylaws or the Rules and Regulations, the terms and conditions of the Articles shall control. If there is any conflict or inconsistency between the terms and conditions of the Bylaws and the terms and conditions of the Rules and Regulations, the terms and conditions of the Bylaws shall control.

#### 4.04 Books and Records.

The Management Committee, or manager, if any, shall keep detailed, accurate records in chronological order, of receipts and expenditures affecting the Common Elements, specifying and itemizing the Common Expenses and any other expenses incurred. Upon request, the Association shall allow Owners and Mortgagees and their respective agents to inspect current copies of the Association Documents and the books, records, budgets and financial statements of the Association during normal business hours and under other reasonable circumstances. The Association may charge a reasonable fee for copying such materials.

### ARTICLE V VOTING

#### 5.01 Voting.

(a) At any meeting of the Association, the Interest in General Common Elements appurtenant to a Unit (one vote per Unit) may be voted in connection with issues presented to the Owners for vote.

(b) The Owner of each Unit shall be entitled to the number of votes allocated to it in accordance with paragraphs 5.01(a), (b) and (c) above, regardless of the number of Owners of the Unit. If the Owners of a Unit cannot agree among themselves as to how to cast their votes on a particular matter, they shall lose their right to vote on such matter. If any Owner casts a vote representing a particular Unit, it will thereafter be presumed for all purposes that the Owner was acting with the authority and consent of all other Owners with whom such Owner shares the Unit, unless objection thereto is made by an Owner of that Unit to the Person presiding over the meeting at the time the vote is cast. If more than the number of allocated votes are cast for any particular Unit, none of such votes shall be counted and all of such votes shall be deemed null and void other than to determine whether a quorum exists.

(c) In any case in which the Act or this Declaration requires the vote of a stated percentage of the Owners or approval of an act or transaction, such requirement shall be fully satisfied by obtaining, with or without a meeting, consents in writing to such transaction from Owners who collectively hold at least the stated percentage of required votes. Such written consents shall be subject to the following conditions:

(i) All necessary consents must be obtained prior to the expiration of ninety (90) days after the first consent is given by any Owner.

(ii) Any change in ownership of a Condominium Unit which occurs after consent has been obtained by the Owner having an interest therein shall not be considered or taken into account for any purpose.

(iii) Unless consent of all Owners having an interest in the same Condominium Unit is secured, the consent of none of such Owners shall be effective.

ARTICLE VI  
MANAGEMENT COMMITTEE

6.01 Number and Election of Directors.

The Management Committee shall consist of five (5) Directors. Subject to the terms and conditions of Sections 6.03 and 6.04 below, each Director will hold office for a term of one (1) year and the Owners shall elect the Directors at the annual meetings.

6.02 Powers of the Management Committee.

(a) Except as provided in this Declaration, the Articles and the Bylaws, the Management Committee may act on behalf of the Association in all instances.

(b) The Management Committee may not act on behalf of the Association to:

(i) amend this Declaration;

(ii) terminate the Association, this Declaration or the Condominium;

(iii) elect Directors to the Management Committee; or

(iv) determine the qualifications, powers and duties, or terms of office, of Directors.

6.03 Removal of Directors.

(a) Directors appointed by Declarant may be removed, with or without cause, solely by Declarant.

(b) Each Director, other than a Director appointed by Declarant, may be removed, with or without cause, by a sixty-seven percent (67%) or greater vote of all Owners of the Units.

6.04 Replacement of Directors.

(a) Vacancies on the Management Committee created by the removal, resignation or death of a Director appointed by Declarant shall be filled by a Director appointed by Declarant.

(b) A vacancy on the Management Committee created by the removal, resignation or death of a Director appointed or elected by the Owners shall be filled by a Director elected by the Owners.

(c) Any Director elected or appointed pursuant to this Section 6.05 shall hold office for the remainder of the unexpired term of the Director that Director replaced.

6.05 Management Committee Liability.

No Director shall be liable to the Owners for any mistake in judgment, for negligence, or on other grounds, except for such Director's own individual and willful misconduct or bad faith. The Owners and Association shall indemnify and hold harmless each Director from and against all liability to third parties arising out of any contract made by the Management Committee on behalf of the Association or Owners, unless such contract was made in bad faith or contrary to the provisions of the Act or this Declaration. The liability of an Owner arising out of the foregoing indemnification shall be limited to the total liability concerned multiplied by such Owner's Interest in General Common Elements.

ARTICLE VII  
ASSESSMENTS, COMMON EXPENSES, BUDGETS, AND LIENS

7.01 Obligations for Assessments.

(a) Each Owner, by accepting a deed to a Unit (regardless of whether it shall be expressly stated in such deed), shall be deemed to have covenanted and agreed to pay to the Association all:

- (i) General Assessments;
- (ii) Special Assessments;
- (iii) Default Assessments; and
- (iv) other charges,

that the Association is required or permitted to levy or impose on such Owner or such Owner's Unit pursuant to this Declaration or any other Association Document.

(b) Notwithstanding the definition of the term "Owner":

- (i) a Person who acquires a Unit in a foreclosure sale shall be personally liable for all Assessments and other charges that the Association is required or permitted to levy or impose on that Unit or on the Owner of that Unit on or after the date of the foreclosure sale; and

(ii) a Person who acquires a Unit by deed-in-lieu of foreclosure shall be personally liable for all Assessments and other charges that the Association is required or permitted to levy or impose on that Unit or on the Owner of that Unit on or after the date on which the Owner of the Unit executes the deed-in-lieu of foreclosure.

(c) No Owner shall be exempt from liability for any such Assessment or other charges by waiving the use or enjoyment of any Common Element or by abandoning a Unit against which such Assessments or other charges are made.

(d) Each Owner shall be personally liable for all Assessments and other charges levied on such Owner or such Owner's Unit during the period of such Owner's ownership of the Unit. If there is more than one Owner of a Unit, each Owner shall be jointly and severally liable with the other Owners of the Unit for all Assessments and other charges levied on the Unit or any Owner of the Unit. In a voluntary conveyance, the grantee of a Unit shall be jointly and severally liable with the grantor for all unpaid Assessments against the grantor without prejudice to the grantee's rights to recover from the grantor the amount of the Assessment paid by the grantee.

(e) Each Assessment or other charge, together with interest and penalties thereon and all costs and expenses incurred by the Association to collect such Assessment or other amount, including all fees and disbursements of attorneys, accountants, appraisers, receivers and other professionals engaged by the Association in connection therewith, may be recovered by a suit for a money judgment by the Association without foreclosing or waiving any Assessment Lien securing the same.

#### 7.02 Shares of Common Expenses.

Except as otherwise set forth in this Declaration, the Association's Common Expenses shall be allocated among the Units in accordance with the Interest in General Common Elements appurtenant to such Units (the "shares of Common Expenses").

#### 7.03 Budgets.

(a) Prior to the first levy of a General Assessment, and thereafter on or before October 1 of each calendar year, the Management Committee shall adopt a proposed annual budget for the Association for the following calendar year that sets forth:

(i) the Management Committee's estimates of Common Expenses for the next calendar year, taking into account any default or surplus realized for the current calendar year and any amounts as may be necessary to fund the reserve provided for in Section 7.11 of this Declaration;;

(ii) the amount of funds for such Common Expenses that the Management Committee proposes to raise through General Assessments; and

(iii) the amount of funds for such Common Expenses that the Management Committee proposes to raise through Special Assessments.

(b) Within thirty (30) days after adopting a proposed annual budget, the Management Committee shall deliver a summary of the proposed annual budget to the Owners and set a date for a meeting of the Owners to consider ratification of the proposed annual budget. The date of such meeting shall not be less than fourteen (14) days nor more than sixty (60) days after the delivery of the summary of the proposed annual budget to the Owners. Unless at that meeting a Majority of the votes, whether or not a quorum is present, rejects the proposed annual budget, the proposed annual budget shall be deemed ratified. If the proposed annual budget is rejected, the annual budget last ratified by the Owners shall be deemed renewed for the next calendar year and shall remain in full force and effect until such time as the Owners ratify a subsequent annual budget proposed by the Management Committee.

(c) If the Management Committee deems it necessary or advisable to amend an annual budget that has been ratified by the Owners under paragraph 7.03(b) above, the Management Committee may adopt a proposed amendment to the annual budget, deliver a summary of the proposed amendment to all Owners and set a date for a meeting of the Owners to consider ratification of the proposed amendment. The date of such meeting shall not be less than fourteen (14) days nor more than sixty (60) days after the delivery of the summary of the proposed amendment. Unless at that meeting a Majority of the votes, whether or not a quorum is present, rejects the proposed amendment, the proposed amendment shall be deemed ratified.

#### 7.04 General Assessments.

(a) After the Management Committee has adopted an annual budget pursuant to paragraph 7.03(b) above, the Association shall levy an assessment for Common Expenses (a "General Assessment") on each Unit. The amount of the General Assessment levied against a Unit shall equal the product obtained by multiplying:

(i) the amount set forth in the annual budget adopted by the Management Committee as the amount of Common Expenses to be raised by General Assessments, by

(ii) that Unit's Interest in General Common Elements.

(b) The Owners shall pay the General Assessments levied against their respective Units in such periodic installments as may be required by the Association.

(c) If the Management Committee adopts an amendment to the General Assessment portion of an annual budget pursuant to paragraph 7.03(c) above, the amount

of the General Assessment levied against each Unit shall be adjusted accordingly, as shall the amount of each Owner's periodic installments.

(d) If the Management Committee fails to adopt an annual budget for any calendar year prior to January 1 of that calendar year, the Owners shall continue to pay periodic installments of the General Assessment to the Association at the rate payable during the prior calendar year until such time as the Management Committee adopts a new annual budget for the then current calendar year. Once the Management Committee adopts a new annual budget, the Association shall levy against each Unit the General Assessment for the then current calendar year and each Owner's periodic installments shall be adjusted as necessary to pay the new General Assessment in equal periodic installments over the remainder of such calendar year, giving the Owners credit, in such manner as the Management Committee deems necessary or appropriate, for any installments that the Owners have previously paid to the Association during such calendar year.

(e) The failure of the Association to levy a General Assessment for any calendar year shall not be deemed a waiver, modification or release of an Owner's liability for the Share of Common Expenses allocated to such Owner's Unit.

#### 7.05 Special Assessments.

(a) The Assessments that the Association may levy pursuant to this Section 7.05 are referred to in this Declaration as "Special Assessments."

(b) Notwithstanding anything to the contrary contained in Section 7.04 above, if the Association determined that an Assessment is required to immediately fund any Common Expense attributable to the Common Elements, the Association may levy an Assessment for such Common Expense against the Units in proportion to the Interests of General Common Elements

(c) Each Special Assessment levied against any Unit shall be shown on an annual budget, or an amendment to an annual budget, adopted by the Management Committee pursuant to Section 7.03 above and shall be paid as and when required by the Association.

#### 7.06 Default Assessments.

(a) Notwithstanding anything to the contrary contained herein, if any Common Expense is caused by:

- (i) the negligence or misconduct of an Owner or an Owner's Guest; or
- (ii) a violation of any covenant or condition of an Association Document by an Owner or an Owner's Guest, the Association may levy an Assessment for such Common Expense against such Owner's Unit. Any such



Assessment levied by the Association and each fine, penalty, fee or other charge imposed upon an Owner for the Owner's violation of any covenant or condition of any Association Document are each referred to herein as a "Default Assessment."

(b) Default Assessments need not be shown on an annual budget, or on an amendment to an annual budget, adopted by the Management Committee pursuant to Section 7.03 above.

(c) With respect to any Default Assessment, or portion thereof, levied other than as a late charge, the Owner of the Unit against which the Association seeks to levy the Default Assessment shall be provided notice and an opportunity to be heard. Owners of Units against which Default Assessments have been levied shall pay such Default Assessments as and when required by the Association.

#### 7.07 Assignment of Assessments.

The Association shall have the unrestricted right to assign its right to receive Assessments and other future income, either as security for obligations of the Association or otherwise, on the condition that any such assignment is approved by a majority of the votes allocated to Units represented at a meeting at which a quorum is present.

#### 7.08 Assessment Lien.

(a) The Association shall have a lien on each Unit for any Assessment levied against that Unit and for any fines, late charges, penalties, interest and attorneys' fees, disbursements and costs of collection imposed against the Owner of such Unit under any Association Document (the "Assessment Lien"). The Assessment Lien shall secure all of the foregoing obligations of an Owner from the time such obligations become due. If an Assessment is payable in installments, the Assessment Lien shall secure each installment from the time it becomes due, including the due date set by any valid Association acceleration of installment obligations.

(b) An Assessment Lien shall constitute a lien upon the Owner's Unit, and, upon the Recording of a notice of lien by the Management Committee or manager, if any, it is a lien prior to all other liens and encumbrances on a Unit, recorded and unrecorded except:

(i) encumbrances on the interest of an Owner recorded prior to the date such notice is recorded which by law would be a lien prior to subsequently recorded encumbrances; and

(ii) liens for real estate taxes and special assessment liens on the Unit in favor of any governmental assessing unit or special improvement district; and

(c) An Assessment Lien is prior to a First Mortgage recorded before the date on which the Assessment sought to be enforced became delinquent to the extent permitted by the Act.

(d) An Assessment Lien is extinguished unless proceedings to enforce the Assessment Lien are instituted within six (6) years after the full amount of the Assessment secured thereby becomes due. Suit to recover a money judgment for unpaid Assessments is maintainable without foreclosing or waiving the lien securing it.

(e) This Section 7.08 does not prohibit actions or suits to recover sums secured by an Assessment Lien or the Association from taking a deed in lieu of foreclosure.

(f) In any action by the Association to collect Assessments or to foreclose an Assessment Lien for unpaid Assessments, the court may appoint a receiver of the Owner to collect all sums alleged to be owed by the Owner prior to or during the pendency of the action, including, but not limited to, all costs and expenses of such proceedings, reasonable attorneys' fees, and a reasonable rental for the Unit. A court may order the receiver to pay any sums held by the receiver to the Association during the pendency of the action to the extent of the Association's Assessments.

(g) An Assessment Lien may be foreclosed in like manner as a deed of trust or mortgage on real estate or in any other manner permitted by law. Periodic Assessments shall be payable during the period of foreclosure of an Assessment Lien.

#### 7.09 Waiver of Homestead Exemptions.

To the fullest extent permitted by law, by acceptance of the deed or other instrument of conveyance of a Unit, an Owner irrevocably waives the homestead exemption provided by the Utah Exemptions Act, Utah Code Ann. §78-23-1 through §78-23-15 as amended from time to time, as the same may apply to the Assessment Lien.

#### 7.10 Estoppel Certificates; Notices to Mortgagees.

(a) The Association shall furnish to an Owner or such Owner's designee or to a Mortgagee or its designee upon written request, delivered personally or by certified mail, first-class postage prepaid, return receipt requested, to the Association's registered agent, and payment of a reasonable fee not to exceed the amount provided for in the Act, a statement setting forth the amount of unpaid Assessments currently levied against such Owner's Unit. The statement shall be furnished within ten (10) calendar days after receipt of the request and is binding on the Association, the Management Committee and every Owner in favor of all Persons who rely upon such statement in good faith. If no statement is furnished to the Owner, the Mortgagee or their designee, delivered personally or by certified mail, first-class postage prepaid, return receipt requested, to the inquiring party,

then the Association shall have no right to assert the priority of its Assessment Lien upon the Unit for unpaid Assessments which were due as of the date of the request.

(b) If a First Mortgagee delivers to the Association a written request for notice of unpaid Assessments levied against a Unit subject to a First Mortgage held by that First Mortgagee, the Association shall report to the First Mortgagee any unpaid Assessments levied against such Unit that remain unpaid for more than sixty (60) days after the same shall have become due. The First Mortgagee may pay any such unpaid Assessment, together with any and all costs and expenses incurred with respect to the Assessment Lien securing such unpaid Assessment, and upon such payment, such First Mortgagee shall have a lien on the Unit for the amounts paid with the same priority as a lien of the First Mortgage held by such First Mortgagee.

#### 7.11 Reserve Fund.

(a) The Association shall have the right to maintain a reserve fund for Common Expenses. The reserve fund shall include such amounts as the Management Committee may deem proper for general working capital, for a general operating reserve, and for a reserve fund for replacements and major maintenance or capital replacement, and will be funded as follows. At the closing of the sale of a Unit by Declarant to a Purchaser, the Purchaser shall pay to the Association an amount equal to the Association's estimate of three (3) months of Common Expenses for the fiscal year in which the sale of the Unit occurs. Thereafter, the Association may increase the reserve fund or replace funds withdrawn from the reserve fund with funds collected through Assessments.

(b) Payments by Purchasers to the Association at closings under paragraph 7.11(a) above shall not be credited against, or relieve Purchasers from, their obligation to pay other Assessments levied against Units by the Association.

(c) Upon the sale of a Unit from one Owner to another, the Association shall not be obligated to return to the transferor any funds held in reserve, but the transferor shall be entitled to an appropriate credit from its transferee.

### ARTICLE VIII UTILITY AND OTHER SERVICES

#### 8.01 Water, Sewer, Natural Gas, Electric, and Trash Removal Services.

(a) The Association shall be responsible for obtaining water, sewer, and trash removal services for all General Common Elements and all Units and the Limited Common Elements appurtenant to such Units. All natural gas and electric services furnished to the Condominium Project shall be separately metered and billed to an individual Unit and the Limited Common Elements appurtenant thereto by the utility company or other party furnishing such services shall be paid for by the Owner of the

Unit to which such utility is metered. All other water, sewer, natural gas, electric and trash removal services shall be a part of the Common Expenses and shall be allocated by the Association among the Units and charged to the Owners in accordance with their respective Shares of Common Expenses.

(b) Each Owner shall ensure that its Unit is sufficiently heated to prevent the freezing of water and sewer lines serving the Condominium Project.

#### 8.02 Telephone.

(a) Each Owner shall be responsible for obtaining telephone services for its Unit and the Limited Common Elements designed to serve only its Unit and shall pay all costs, expenses, fees, rates and other charges incurred in connection therewith, including, without limitation, any connection fees, directly to the provider of such services.

(b) The Association shall determine what, if any, telephone services are necessary for the General Common Elements that serve all of the Units and shall be responsible for obtaining those services. The Common Expenses incurred by the Association for those services shall be allocated among the Units in accordance with their proportionate Shares of Common Expenses.

#### 8.03 Other Utilities.

If the Association incurs Common Expenses for any utility service not described above, or if the manner of providing or metering any utility service described above changes from the manner in which such service is provided or metered as of the date of this Declaration, the Association may allocate the Common Expenses incurred for such new utility service or changed utility service in any reasonable and equitable manner consistent with the Act.

### ARTICLE IX MAINTENANCE OF COMMON ELEMENTS AND UNITS

#### 9.01 Maintenance of Common Elements.

Except as otherwise provided in this Declaration, the Association, or its duly designated agent, shall maintain the Common Elements and the other Association property in good order and condition and shall otherwise manage and operate the Common Elements as it deems necessary or appropriate. The Management Committee shall have the irrevocable right to have access to each Unit from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of the Common Elements or for making emergency repairs necessary to prevent damage to the Common Elements or to another Unit or Units. In addition, the Association shall ensure that all interior Common Elements (including without limitation, the below-grade parking levels) are sufficiently heated to prevent the freezing of water and sewer lines serving the Condominium Project. Without the limiting the foregoing, the Association may:

- (a) construct, modify, add to, repair, replace, or renovate any improvements that are located on or constitute a part of any Common Element;
- (b) plant and replace trees, shrubs, and other vegetation on any Common Element;
- (c) place, maintain, and replace signs upon any Common Element;
- (d) adopt and enforce Rules and Regulations regulating the use of Common Elements; and
- (e) take any other actions as the Association deems necessary or advisable to protect, maintain, operate, manage, or regulate the use of the Common Elements.

9.02 Maintenance of Units.

Each Owner, at such Owner's sole cost and expense, shall maintain in good order and repair its Unit and all utility facilities, lines, ducts, and other such apparatus (including all fixtures located therein) serving solely such Unit. Each Owner shall keep the Limited Common Elements serving solely its Unit, if any, in a clean and orderly condition. The Association shall have no obligation regarding maintenance or care which is required to be accomplished by any Owner.

9.03 Mechanic's Liens and Indemnification.

No labor performed or materials furnished and incorporated into a Unit with the consent or at the request of an Owner or an agent, contractor or subcontractor of an Owner shall be the basis either for filing a lien against the Unit of any other Owner not expressly requesting or consenting to the same, or against the Common Elements. Notwithstanding the foregoing, labor performed or materials furnished for the Common Elements, if authorized by the Owners, the manager or the Management Committee in accordance with this Declaration, the Bylaws, the Rules and Regulations, or the Act, shall be deemed to be performed or furnished with the express consent of each Owner and shall be the basis for filing a lien pursuant to applicable law. Payment for any such lien shall be made as provided in the Act. Each Owner shall indemnify and hold harmless each of the other Owners and any Mortgagee from and against all liability arising from any claim or lien against the Unit of any other Owner or against the Common Elements for construction performed or for labor, materials, services or supplies incorporated in the Owner's Unit at the Owner's request.

ARTICLE X  
COVENANTS, CONDITIONS, AND RESTRICTIONS

10.01 Applicability of Covenants, Conditions, and Restrictions.

Except as otherwise provided in this Declaration, the covenants, conditions, and restrictions set forth in this Article X shall apply to all Units and Common Elements.

10.02 Association Documents.

Each Owner shall strictly comply with, and shall require its Guests to comply with, all provisions of the Association Documents that apply to such Owner or such Owner's Unit.

10.03 Notice of Conveyance, Assignment, or Encumbrance.

(a) Promptly after a conveyance of a fee simple interest in a Unit or portion thereof, the grantee shall furnish a copy of the conveyance deed to the Association.

(b) Promptly after an encumbrance of a fee simple interest in a Unit or portion thereof, the Owner shall furnish the Association with a copy of the Mortgage creating the encumbrance.

10.04 Use of Units.

(a) An Owner of a Unit may use such Unit only as a permanent or vacation single-family residence (as "family" is defined from time to time in the zoning ordinances of Salt Lake County, Utah) for itself and its Guests. No Owner of a Unit shall conduct any business, profession, occupation, or trade from its Unit; provided that this Declaration does not prohibit an Owner from leasing or renting such Owner's Unit to others so long as the use of such Unit complies with the provisions of this Declaration, the Act, and other applicable laws and ordinances. No Unit shall be used for conducting the business of the rental of other Units. Any lease of a Unit shall be in writing and shall be subject to this Declaration and the Bylaws.

(b) Notwithstanding the restrictions set forth in paragraph 10.04(a) above:

(i) an Owner may use its Unit as its private office, on the condition that the Owner does not invite others to its Unit to conduct business and such use complies with all applicable Federal, State, and local laws, ordinances, regulations, and rules; and

(ii) the Association and, during the Declarant Control Period, Declarant may use one Unit owned or leased by it as a management office, or a combined management office and residence for a resident manager, for the Condominium Project.

10.05 Use of Common Elements.

All Owners and their Guests may use the General Common Elements and the Limited Common Elements designed to serve their Units for the purposes for which such Common

Elements are intended. Notwithstanding the preceding sentence, neither an Owner nor a Guest may use any Common Element in any manner that unreasonably interferes with, hinders or encroaches upon the rights of other Owners in and to the Common Elements. Without limiting the generality of the foregoing, no Owner shall cause, or permit its Guests to cause, waste to any Common Element.

10.06 Alterations.

(a) Except as otherwise expressly provided in this Declaration, an Owner of a Unit may not make any improvement or alteration to a Common Element or any improvement or alteration to its Unit that affects any Common Element or any other Unit, without the prior written consent of the Association. No Unit Owner shall do any work or make any alterations or changes which would jeopardize the soundness or safety of the Condominium Project, reduce its value or impair any easement or hereditament, without in every case the unanimous written consent of all Unit Owners being first obtained.

(b) Without limiting the generality of paragraph 10.06(a) above, an Owner of a Unit may not, without the prior written consent of the Association, install or erect any improvement, mechanical system, or fixture that either:

(i) protrudes beyond the boundaries of the Owner's Unit; or

(ii) is located wholly outside the Owner's Unit (even if located within a Limited Common Element that is assigned to solely the Owner's Unit).

10.07 Nuisances, Hazardous Activities, and Unsightliness.

(a) No Person shall conduct any activity on the Land which creates a nuisance.

(b) No Person shall conduct any activity on the Land which is or might be hazardous to any Person or property.

(c) No unsightliness shall be permitted at the Land.

(d) Normal construction activities shall not be considered to violate the terms and conditions of this Section 10.07.

10.08 Signs.

(a) No signs whatsoever shall be erected or maintained on the Land, except signs identifying the Condominium Project or necessary to its operations and that are approved in writing by the Management Committee, or such signs are required by applicable law.

(b) Without limiting the generality of paragraph 10.08(a) above, no "For Sale" or "For Rent" signs shall be displayed on the exterior or interior of a Unit. The Association shall provide a central location for the listing of such signage and other announcements and bulletins which shall not exceed 12"h x 12"w (one foot square) and shall in all respects conform with the house rules.

10.09 Compliance with Laws.

Nothing shall be done or kept at the Land in violation of any law, ordinance, rule, regulation or other requirement of any governmental or quasi-governmental authority.

10.10 Compliance with Insurance.

Except as may be approved in writing by the Association, nothing shall be done or kept at the Land that may result in the cancellation of any insurance maintained by the Association or may result in an increase in the rates of any such insurance.

10.11 Subdivision, Rezoning and Timesharing.

(a) No Unit may be subdivided, unless the subdivision has been approved by 100 percent of the votes allocated to all Units at a duly convened meeting of the Association and has received all applicable governmental and quasi-government approvals.

(b) No application for rezoning any portion of the Land, and no applications for variances or use permits, shall be filed with any governmental or quasi-governmental authority, unless the proposed rezoning has been approved by 100 percent of the votes allocated to all Units at a duly convened meeting of the Association and the uses that would be permitted under the rezoning comply with this Declaration and the other Association Documents.

(c) No Owner shall offer or sell any interest in any Unit under a "timesharing" or "interval ownership" plan or similar plan.

(d) The covenants, conditions and restrictions set forth in paragraphs 10.11(a) and (b) above shall not apply to Declarant's development of the Land, Declarant's exercise of any Special Declarant Right, or Declarant's exercise of the Option to Convert or Expand the Condominium Project as set forth in Articles XIX and XX of this Declaration.

10.12 Vehicles and Parking.

(a) No motor vehicle exceeding 7.5'h x 20'l x 7'w (7.5 feet in height and 20 feet in length and 7 feet in width) and no commercial vehicle, mobile home, trailer,



detached camper or camper shell, boat, or other similar equipment or vehicle may be kept or parked at the Condominium Project.

(b) No motor vehicle shall be constructed, repaired or serviced at the Condominium Project.

(c) Owners shall park in the space assigned to their Unit only, which assignments shall be made by the Association, provided that each Unit's assigned space shall be in the Limited Common Element parking area associated with the Building in which said Unit is located. In addition to the parking space associated with the Owner's Unit, and subject to paragraph 10.12(e), each Owner of a Unit or its Guests may, on a first-come, first-serve basis, use one additional non-assigned parking space in the Condominium Project's outdoor parking facilities during any period during which the Owner or one or more of its Guests are staying in the Owner's Unit. At no time may an Owner of a Unit or its Guests use more than one additional non-assigned parking space in the Condominium Project's outdoor parking facilities.

(d) An Owner shall not sell, lease or otherwise convey all or any part of the parking rights it has by virtue of its ownership of a Unit (other than in connection with the sale, lease or other conveyance of such Owner's Unit).

(e) Any of the non-assigned and non-handicap-dedicated parking spaces in the Condominium Project's outdoor parking facilities may be used by the Owners of Units as set forth in paragraph 10.12(c), except for such parking spaces in the Condominium Project's parking facilities that are designated from time to time by the Association as reserved for providing deliveries and services to the Owners of the Units, such spaces to be marked accordingly to provide notice of such reserved use. Spaces designated for handicap use shall also be used only by those possessing a permit for such use.

#### 10.13 Storage Areas.

Storage areas and lockers located in the Limited Common Elements of a Building are available to the Owners of Units within said Buildings first on the basis of which unit is adjacent to the storage area, then to units in the same building and finally on a first-come, first-serve basis and in accordance with separate lease agreements with the Association for such storage areas and lockers.

#### 10.14 Deliveries, Trash Removal, and Other Services.

By acceptance of a deed to a Unit, an Owner agrees that all deliveries and all trash removal services, and other such services to that Owner or its Unit shall be effected at a central location or locations designated by the Management Committee from time to time for such purposes. Unless otherwise directed by the Association, Owners of Units and their Guests shall place all trash and other waste from the Units in receptacles which are located within the Condominium Project and designated for that purpose.

10.15 Exterior Storage.

No Owner shall store any materials or items on or in any Common Element, other than those Common Elements designed for that purpose, such as storage lockers, and then only in strict accordance with the terms and conditions of the Association Documents.

10.16 Animals.

No animals of any kind not already kept on the Land or within any Unit as of the date of this Amendment shall be raised, bred, or kept on the Land or within any Unit.

10.17 Solid-Fuel Burning Devices.

No portable solid-fuel burning devices (e.g., charcoal grills, wood burning stoves or fireplaces, torches, etc.) shall be used, kept or stored on the Land.

10.18 Declarant's Exemption.

Nothing contained in this Declaration or in any other Association Document shall be construed to prevent:

- (a) Declarant's exercise and enjoyment of any Special Declarant Right or any other rights of Declarant under this Declaration or any other Association Document; or
- (b) the conduct by Declarant or its employees or agents of any activity, including, without limitation, the erection or maintenance of temporary structures, improvements or signs, necessary or convenient to the development, construction, marketing or sale of property within or adjacent to the Condominium Project.

ARTICLE XI  
EASEMENTS AND RESERVATIONS

11.01 Declarant's Easements Over Common Elements.

- (a) In accordance with the Act, Declarant hereby reserves for itself, its successors and assigns a general, transferable easement over, across, through and under the Common Elements to:
  - (i) discharge Declarant's obligations under this Declaration;
  - (ii) exercise any of Declarant's rights under this Declaration; and
  - (iii) make improvements on the Land or any other real estate owned by Declarant, for the purpose of doing all things reasonably necessary and proper in connection with the foregoing.

(b) Declarant hereby reserves for itself, its successors and assigns, the right to:

(i) establish from time to time utility and other easements, permits or licenses over, across, through and under the Common Elements for the benefit of the Condominium Project or any property owned by Declarant; and

(ii) create other reservations, exceptions and exclusions for the best interest of the Declarant and other Persons, on the conditions that (A) the parties benefitted by the easement, license, permit, reservation, exception or exclusion must use reasonable efforts to locate any such easement, license, permit reservation, exception or exclusion to minimize interference with the use of the Land by the Owners to the extent practicable; and (B) if the parties benefitted by the easement, license, permit, reservation, exception or exclusion construct or install any improvements on the Land pursuant to the same, the benefitted parties shall promptly repair any damage caused to the Land thereby at their sole cost and expense.

#### 11.02 Utility Easement.

(a) Subject to the terms and conditions of this Declaration and all other Association Documents, there shall be a general easement over, across, through and under the Land for ingress to, egress from, and installation, replacement, repair and maintenance of, all utility and service lines and systems, including, without limitation, water, sewer, gas, telephone, electricity and cable communication that service the Land or any portion thereof. The Association may, but is not obligated to, authorize the release of portions of the general easement created pursuant to this Section 11.02 upon the request of any Owner showing good cause therefor.

(b) Pursuant to this easement, a utility or service company may install and maintain facilities and equipment on the Land and affix and maintain wires, circuits, and conduits on, in, and under the roofs and exterior walls of Improvements to provide service to the Units or the Common Elements. Notwithstanding anything to the contrary contained in this Section 11.02, no sewers, electrical lines, water lines, or other utilities or service lines may be installed or relocated on any portion of the Land, except in accordance with the terms and conditions of Sections 10.07 through 10.10 above. Any utility or service company using this general easement shall use its best efforts to install, repair, replace and maintain its lines and systems without disturbing the uses of Owners, the Association, Declarant and other utility and service companies.

(c) If any utility or service company furnishing utilities or services to the Land or any portion thereof as permitted under paragraph 11.02(a) above requests a specific easement by separate recordable document, the Association shall have the right and authority, but not the obligation, to grant such easement over, across, through and under any portion of the Land.

11.03 Association's Easement.

(a) The Association shall have a general easement over, across, through, and under each Unit and each Common Element to:

(i) exercise any right held by the Association under this Declaration or any other Association Document; and

(ii) perform any obligation imposed upon the Association by this Declaration or any other Association Document.

(b) Notwithstanding the foregoing, the Association shall not enter any Unit without reasonable prior notice to the Owner thereof, except in cases of emergency.

11.04 Easements for Encroachments.

In the event that any portion of the General Common Elements, a Limited Common Element, Unit and/or a Building (whether constructed by Declarant or reconstructed so as to substantially duplicate a Unit or Building originally constructed by Declarant) encroaches or comes to encroach on the General Common Elements, a Limited Common Element, another Unit and/or another Building, as a result of construction, reconstruction, repair, shifting, settlement, or movement of any portion of the foregoing, an easement is created hereby and shall exist so long as such encroachment exists, but such easement shall not relieve an Owner of liability in the case of willful misconduct.

11.05 Emergency Access Easement.

All police, sheriff, fire protection, ambulance and all other similar emergency agencies or Persons shall have a general easement to enter upon the Land in the proper performance of their duties.

ARTICLE XII  
INSURANCE

12.01 General Liability Insurance.

The Association shall obtain and maintain one or more policies of commercial general liability insurance insuring the Owners, the Association, the Management Committee, the manager engaged by the Association, if any, and their respective agents against general liability and claims arising in connection with the ownership, existence, use or management of the Common Elements, in an aggregate amount that is not less than [\$1,000,000], or such greater amount as the Management Committee deems appropriate. Such insurance shall cover claims of one or more insured parties against other insured parties.

12.02 Property Insurance.

The Association shall obtain and maintain a master or blanket policy of property insurance coverage for no less than the full insurable replacement cost of all of the Common Elements, subject to reasonable deductibles and exclusive of land, excavations, foundations and similar items normally excluded from property insurance policies. The policy shall contain each of the following features, to the extent that such features are, in the reasonable discretion of the Management Committee, available at reasonable cost:

- (a) an agreed-amount endorsement or its equivalent;
- (b) an increased-cost-of-construction endorsement or a contingent-liability-from-operation-of building-laws endorsement or their equivalent;
- (c) an extended-coverage endorsement;
- (d) vandalism and malicious mischief coverage;
- (e) a special-form endorsement; and
- (f) a determinable-cash-adjustment clause or a similar clause to permit cash settlement covering full value of the Common Elements in case of partial destruction and a decision not to rebuild.

12.03 Additional Provisions to be Contained in Insurance Policies.

Any insurance policies obtained and maintained by the Association pursuant to Sections 12.01 and 12.02 above shall name as insureds the Association and the Owners (including Declarant, so long as Declarant is the Owner of any Unit) and provide that:

- (a) the insurer waives its right of subrogation under the policy against any Owner or member of the Owner's household;
- (b) no act or omission by any Owner, unless acting within the scope of such Owner's authority on behalf of the Association, will void the policy or be a condition to recovery under the policy; and
- (c) if, at the time of a loss under the policy, there is other insurance in the name of an Owner covering the same risk covered by the policy, the Association's policy provides primary insurance.

12.04 Trustee.

Any loss covered by the property insurance policy described in Section 12.02 above must be adjusted with the Association, and the insurance proceeds for that loss shall be payable to the

Association or any insurance trustee designated for that purpose, and not to any Owners or Mortgagees. The insurance trustee or the Association shall hold any insurance proceeds in trust for the Owners and Mortgagees as their interests may appear. Subject to the provisions of Section 13.02 below, the proceeds must be disbursed first for the repair or restoration of the damaged property, and the Owners and Mortgagees are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the Condominium Project has been repaired or restored or the Condominium Project is terminated.

12.05 Individual Property Insurance Limited.

Each Owner shall have the right to separately insure its Unit and its personal property against loss by fire or other casualty. In addition, any Improvements made by an Owner within its Unit may be separately insured by the Owner, but the insurance is to be limited to the type and nature of coverage commonly known as "tenant's improvements." All such insurance that is individually carried must contain a waiver of subrogation rights by the insurer as to other Owners, the Association, Declarant, and Mortgagees.

12.06 Management Committee's Authority to Revise Insurance Coverage.

(a) Subject to any restrictions imposed by the Act, the Management Committee shall have the power and right to deviate from the insurance requirements contained in this Article XII in any manner that the Management Committee, in its discretion, considers to be in the best interests of the Association. If the Management Committee elects to materially reduce the coverage from the coverage required in this Article XII, the Management Committee shall make all reasonable efforts to notify the Owners of the reduction in coverage and the reasons therefor at least thirty (30) days before the effective date of the reduction.

(b) The Association and its Directors and Officers shall have no liability to any Owner or Mortgagee if, after a good faith effort, (i) the Association is unable to obtain any insurance required hereunder because the insurance is no longer available; or (ii) if available, the insurance can be obtained only at a cost that the Management Committee, in its sole discretion, determines is unreasonable under the circumstances.

(c) The Management Committee is authorized to negotiate and agree on the value and extent of any loss under any policy carried by the Association, including, but not limited to, the right and authority to compromise and settle any claim or enforce any claim by legal action or otherwise and to execute releases in favor of any insurer.

(d) Each Owner, by acceptance of a deed to a Unit irrevocably appoints the Association as that Owner's attorney in fact for purposes of procuring, negotiating, accepting, compromising, releasing, settling, distributing, and taking other related actions in connection with any insurance policy maintained by the Association and any losses or claims related thereto and agrees to be bound by the actions so taken as if the Owner had personally taken the action.

12.07 Periodic Insurance Review.

The Management Committee periodically (and not less than once every three (3) years) shall review the Association's insurance policies and make such adjustments to the policies' terms and conditions as the Management Committee considers to be in the best interests of the Association. The review shall include an appraisal by a qualified appraiser of the current replacement costs of all covered property under the Association's policy unless the Management Committee is satisfied that the current dollar limit of the property policy, coupled with the amount of actual reserves on hand, is equal to or greater than the current replacement costs.

ARTICLE XIII  
CASUALTY

13.01 Total or Partial Destruction of the Condominium Project.

If there is a total or partial destruction of the Condominium Project, the Condominium Project shall be promptly rebuilt or repaired in accordance with the Act, unless:

- (a) the Condominium Project is terminated in accordance with Section 18.02 hereof;
- (b) repair or replacement would be illegal under any state or local statute governing health or safety;
- (c) seventy-five percent (75%) or more of the Building is destroyed or substantially damaged, and the Owners, by a vote of at least seventy-five percent (75%) of the Interests in General Common Elements, do not voluntarily, within 100 days after the occurrence of such damage, make provision for reconstruction, and the Management Committee shall Record, in the Salt Lake County Records, a notice, in accordance with the Act, thereby subjecting the Condominium Project to an action for partition and sale; or
- (d) the Owners, by a vote of at least seventy-five percent (75%) of the Owners of the Interests in the Common Element, elect to sell or otherwise dispose of the Condominium Project in accordance with the Act.

13.02 Excess Insurance Proceeds.

If the entire Condominium Project is not repaired or replaced, the insurance proceeds attributable to the damaged Common Elements must be used to restore the damaged area to a condition compatible with the remainder of the Condominium Project, and, except to the extent that other persons will be distributees, the insurance proceeds attributable to Units and Limited Common Elements that are not rebuilt must be distributed to the Owners of those Units and the Owners of the Units to which those Limited Common Elements were allocated, or to

Mortgagees, as their interests may appear, and the remainder of the proceeds, if any, must be distributed to all the Owners or Mortgagees, as their interests may appear, in proportion to the Interests in Common Elements of all the Units.

13.03 Casualty to a Unit.

To the extent that the Association is not obligated to make any such repairs or replacements, each Owner shall repair or replace any damage to or destruction to the interior of its Unit, as soon as is reasonably practical after such damage or destruction occurs.

ARTICLE XIV  
CONDEMNATION

14.01 Condemnation of All Units.

If the entire Condominium Project is taken by condemnation, eminent domain or similar proceeding, the Condominium Project shall terminate as of the date of the taking and any condemnation award payable in connection therewith shall be paid to the Association and then disbursed by the Association to the Owners in proportion to their Interests in the General Common Elements.

14.02 Condemnation of Fewer Than All Units.

If one or more Units, but less than the entire Condominium Project, is taken by condemnation, eminent domain or similar proceeding,

(a) any condemnation award payable in connection therewith shall be paid,  
and

(b) the Interest in General Common Elements appurtenant to those Units shall be reallocated, in accordance with the terms and conditions of the Act.

14.03 Condemnation of Common Elements.

If any portion of the Common Elements is taken by condemnation, eminent domain or similar proceeding, any condemnation award payable in connection therewith shall be paid to the Association and then disbursed by the Association to the Owners in proportion to their Interests in the General Common Elements.



ARTICLE XV  
MORTGAGEE PROTECTIONS

15.01 Benefit of Mortgagees.

This Article establishes certain standards and covenants which are for the benefit of Mortgagees. This Article is supplemental to, and not in substitution of, any other provisions of this Declaration, but in the case of any conflict, this Article shall control.

15.02 Notice of Actions.

If requested in writing to do so, the Association shall give prompt written notice of the following to each First Mortgagee making such request:

- (a) any condemnation loss or any casualty loss which affects a material portion of the Common Elements or any Unit in which an interest is held by the First Mortgagee;
- (b) any delinquency in the payment of Assessments which remains uncured for sixty days by an Owner whose Unit is encumbered by a First Mortgage held by such First Mortgagee;
- (c) any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association;
- (d) any proposed action which would require the consent of First Mortgagees as set forth in this Article; and
- (e) any judgment rendered against the Association.

15.03 Consent Required.

Notwithstanding anything to the contrary contained in this Declaration, the Association may not take any of the following actions without the consent of sixty-seven percent (67%) of the First Mortgagees (based on one vote for each Unit covered by a First Mortgage):

- (a) by act or omission seek to abandon or terminate the Condominium Project, except after condemnation or substantial casualty;
- (b) except as provided herein for condemnation, casualty, the conversion of the Convertible Land, and the exercise of Special Declarant Rights, change the Interests in General Common Elements, Shares of Common Expenses or votes in the Association of any Unit;

(c) subdivide, partition, or relocate the boundaries of any Unit, except as permitted with respect to Special Declarant Rights;

(d) abandon, subdivide, partition, encumber, sell, or transfer the Common Elements (the granting of easements for public utilities or for other purposes provided for in this Declaration shall not be deemed transfers);

(e) use property insurance proceeds for losses to any portion of the Common Elements for other than repair, replacement, or reconstruction of such Common Elements, except as provided by this Declaration; or

(f) merge the Condominium Project with any other common interest community.

#### 15.04 Notice of Objection.

Unless a First Mortgagee provides the Association with written notice of its objection, if any, to any proposed amendment or action requiring the approval of First Mortgagees within thirty days following the receipt of notice of such proposed amendment or action, the First Mortgagee will be deemed conclusively to have consented to or approved the proposed amendment or action.

#### 15.05 First Mortgagee's Rights.

(a) First Mortgagees, jointly or singly, may pay taxes or other charges which are in default and which may or have become a charge against any of the Common Elements or improvements thereon, and may pay overdue premiums on hazard insurance policies, for the Common Elements. First Mortgagees making such payment shall be owed immediate reimbursement from the Association.

(b) A First Mortgagee shall be entitled to cure any delinquency of the Owner of a Unit encumbered by its First Mortgage in the payment of Assessments. In that event, the First Mortgagee shall be entitled to obtain a release from the lien imposed or perfected by reason of such delinquency.

#### 15.06 Limitations on First Mortgagee's Rights.

No requirement for approval or consent by a First Mortgagee provided in this Article shall operate to:

(a) deny or delegate control over the general administrative affairs of the Association by the Owners or the Management Committee;

(b) prevent the Association or the Management Committee from commencing, intervening and/or settling any legal proceeding; or

(c) prevent any insurance trustee or the Association from receiving and distributing any insurance proceeds in accordance with the requirements of Article XII above.

15.07 Declarant Rights.

No provision or requirement of this Article XV shall apply to any Special Declarant Rights or other rights reserved to Declarant in this Declaration.

ARTICLE XVI  
ENFORCEMENT AND REMEDIES

16.01 Enforcement.

(a) Each provision of this Declaration with respect to the Association or the Common Elements shall be enforceable by Declarant or by any Owner by a proceeding for injunctive relief.

(b) Each provision of this Declaration with respect to an Owner or a Unit shall be enforceable by Declarant or by the Association by:

- (i) a proceeding for injunctive relief;
- (ii) a suit or action to recover damages; or

(iii) in the discretion of the Association, for so long as any Owner fails to comply with any such provisions, exclusion of such Owner and its Guests from the use of any Common Elements and from participation in any Association affairs.

(c) In addition to the rights and remedies described in paragraph 17.01(b) above, if an Owner fails to strictly perform or observe any covenant or condition to be performed or observed by such Owner under this Declaration or any other Association Document, the Association shall have the following rights and remedies:

(i) The Association may, but is not obligated to, cure such failure to comply at the Owner's sole cost and expense. If the Association cures any such failure to comply, the Owner shall pay to the Association the amount of all costs incurred by the Association in connection therewith within thirty days after the Owner receives a written invoice therefor from the Association.

(ii) The Association may, after notice and an opportunity to be heard, fine the Owner, as a Default Assessment, an amount not to exceed \$100 for each violation. The Owner shall pay any such fine to the Association within thirty days after the Owner receives written invoice therefor from the Association.

(iii) With respect to an Owner's failure to pay an installment of any Assessment, the Association may accelerate the due date for the payment of the full amount of the Assessment.

(iv) The Association shall have all other rights and remedies available to it under this Declaration, at law or in equity.

(d) All rights and remedies of the Association shall be cumulative and the exercise of one right or remedy shall not preclude the exercise of any other right or remedy.

#### 16.02 Attorneys' Fees.

In the event of any dispute under or with respect to this Declaration or any other Association Document, the prevailing party shall be entitled to recover from the nonprevailing party all of its costs and expenses in connection therewith, including, without limitation, the fees and disbursements of any attorneys, accountants, engineers, appraisers or other professionals engaged by the prevailing party.

#### 16.03 Interest.

If an Owner fails to pay to the Association any Assessment or other amount due to the Association as and when the same becomes due, the Owner shall pay to the Association interest on such unpaid amount at the rate of eighteen percent (18%) per annum, or such other rate as the Management Committee may establish from time to time, from the due date of such unpaid amount until the date paid.

#### 16.04 Right to Notice and Hearing.

Whenever an Association Document requires that an action be taken after "notice and hearing," the following procedure shall be observed. The party proposing to take the action (e.g., the Management Committee or a committee or officer of the Association) shall give at least three (3) days' prior written notice of the proposed action to all Owners whose interests would be significantly affected by the proposed action, as reasonably determined by the proposing party. The notice shall include a general statement of the proposed action and the date, time and place of the hearing. At the hearing, the party proposing to take the action, and all affected Owners may give testimony orally, in writing or both (as specified in the notice), subject to reasonable rules of procedure established by the party conducting the hearing to assure a prompt and orderly resolution of the issues. Such evidence shall be considered in making the decision but shall not bind the decision makers. Any affected Owner shall be notified of the decision in the same manner in which notice of the hearing was given. Any Owner having a right to notice and hearing shall have the right to appeal to the Management Committee from a decision of a proposing party other than the Management Committee. Such right of appeal may be exercised within ten (10) days after an Owner receives notice of the decision, by filing a written notice of appeal with the Management Committee. The Management Committee shall conduct a hearing

within forty-five (45) days thereafter, giving the same notice and observing the same procedures as were required for the original hearing.

16.05 Nonwaiver.

Failure by Declarant, the Association or any Owner to enforce any covenant, condition, restriction, reservation, easement, assessment, charge, lien or other provision of this Declaration or any other Association Document shall in no way be deemed to be a waiver of the right to do so thereafter.

ARTICLE XVII  
TERM AND AMENDMENTS

17.01 Term.

The covenants, conditions, restrictions, reservations, easements, assessments, charges, and liens set forth in this Declaration shall run with and bind the Land until the Declaration is terminated pursuant to Section 18.02 below.

17.02 Termination.

Subject to the rights of Mortgagees under Article XVI above, the Owners may terminate the Condominium Project and this Declaration, by the vote of 100 percent of the votes allocated to all Units. If the necessary votes are obtained, the agreement of the Owners to terminate the Condominium Project and this Declaration shall be evidenced by a termination agreement or ratification thereof, executed by the required number of Owners in accordance with the Act. Upon recordation of the termination agreement in the Salt Lake County Records, the Condominium Project shall be terminated, this Declaration shall have no further force or effect, and the Association shall be dissolved. Notwithstanding the foregoing, the Owners may not terminate the Condominium Project during the Declarant Control Period without Declarant's prior written consent, which consent Declarant may withhold in its sole discretion.

17.03 Amendments.

Except as otherwise expressly provided in this Declaration or the Act, and except for provisions of this Declaration regarding the rights and obligations of Declarant, which may not be amended without Declarant's prior written consent, and subject to the rights of Mortgagees under Article XVI above, Owners may amend any provision of this Declaration at any time by a vote of at least sixty-seven percent (67%) of the votes allocated to all Units. If the necessary votes and consent are obtained, the Association shall cause an amendment to the Declaration to be recorded in the Salt Lake County Records. Notwithstanding the foregoing, the Owners may not amend this Declaration during the Declarant Control Period without Declarant's prior written consent, which consent Declarant may withhold in its sole discretion.

ARTICLE XVIII  
MISCELLANEOUS

18.01 Interpretation of the Declaration.

Except for judicial construction, the Association, by its Management Committee, shall have the exclusive right to construe and interpret the provisions of this Declaration. In the absence of any adjudication to the contrary by a court of competent jurisdiction, the Association's construction or interpretation of the provisions hereof shall be final, conclusive and binding as to all persons and property benefitted or bound by the covenants and the provisions hereof.

18.02 Severability.

Any determination by any court of competent jurisdiction that any provision of this Declaration is invalid or unenforceable shall not affect the validity and enforceability of any other provision hereof.

18.03 Disclaimer of Representations.

Notwithstanding anything to the contrary contained in this Declaration, Declarant makes no warranties or representations whatsoever that the plan presently envisioned for the complete development of the Condominium Project can or will be carried out or that any land now owned or hereafter acquired by Declarant is or will be subject to this Declaration, or that any such land, whether or not it has been subjected to this Declaration, is or will be committed to or developed for a particular use, that such use will continue in effect.

18.04 Reference to Declaration and Deeds.

Deeds to and instruments affecting any Unit or any other part of the Condominium Project may contain the provisions set forth herein by reference to this Declaration, but regardless of whether any such reference is made in any deed or instrument, each and all of the covenants, conditions, restrictions, reservations, easements, assessments, charges and liens set forth herein shall be binding upon the grantee-owner or other person claiming through any deed or other instrument and his heirs, executors, administrators, successors and assigns.

18.05 Successors and Assigns of Declarant.

Any reference in this Declaration to Declarant shall include any successors or assignees of Declarant's rights and powers hereunder on the condition that Declarant's rights and powers may only be assigned by a written recorded instrument expressly assigning such rights and powers.

18.06 Captions and Titles.

All captions and titles of headings of Articles and Sections in this Declaration are for the purpose of reference and convenience and are not to be deemed to limit, modify or otherwise affect any of the provisions hereof or to be used in determining the intent or context thereof.

18.07 Exhibits.

All exhibits attached to this Declaration are a part of, and are incorporated into, this Declaration.

18.08 Governing Law.

This Declaration shall be governed by and construed in accordance with Utah law.

18.09 Notices.

All Owners of each Unit shall have one and the same registered mailing address to be used by the Association or other Owners for notices, demands, and all other communications regarding Association matters. The Owner or the representative of the Owners of a Unit shall furnish such registered address to the secretary of the Association within ten (10) days after transfer of title to the Unit to such Owner or Owners. Such registration shall be in written form and signed by all of the Owners of the Unit or by such persons as are authorized to represent the interests of all Owners of the Unit. If no address is registered or if all of the Owners cannot agree, then the address of the Unit shall be deemed their registered address of the Owner(s), and any notice shall be deemed duly given if delivered to the Unit. All notices and demands intended to be served upon the Association shall be sent to the following address or such other address as the Association may designate from time to time by notice to the Owner(s):


Chateau Foret Phase II Homeowners' Association  
4840 South Highland Circle  
Holladay, Utah 84117

18.10 Service of Process.

The name and place of business of the person to receive service of process is as set forth in the Articles of Incorporation of the Association and initially shall be John C. Rooker of HANKS, ROOKER & DENNING P.C., whose place of business within Salt Lake County, Utah, is The Judge Building, Suite 740, 8 East Broadway, Salt Lake City, Utah 84111-2204.

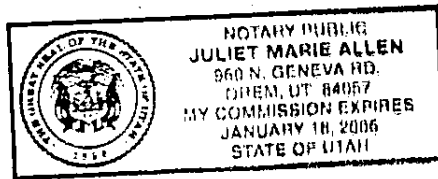
**EFFECTIVE AS OF** the 16<sup>th</sup> day of July, 2001.

CHATEAU FORET PHASE II  
HOMEOWNERS' ASSOCIATION

  
Terry Allen, President

**SUBSCRIBED AND SWORN TO** before me this \_\_\_ day of April, 2003.

[seal]



  
Notary Public

APPROVED:

  
John C. Rooker, Secretary of the Meeting





**EXHIBIT A  
TO  
FIRST AMENDMENT OF  
DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS  
OF  
CHATEAU FORET PHASE II CONDOMINIUM DEVELOPMENT**

(Legal Description of Land)

“Beginning at a point which is North 789.36 feet and East 392.70 feet and N 3 degrees 00' E 356.70 feet and N 80 degrees 00' E 292.31 feet from the Southwest corner of the Northeast quarter of Section 9, Township 2 South, Range 1 East, Salt Lake Base and Meridian, AND RUNNING THENCE N 70 degrees 00' E 60.94 feet; thence N 3 degrees 42'15" W 146.86 feet; thence N 88 degrees 22'19" E 76.65 feet; thence S 89 degrees 03'47" E 9.30 feet; thence N 87 degrees 16' E 146.99 feet to the centerline of Highland Circle; thence S 1 degree 00'20" W along said centerline 46.49 feet; thence S 24 degrees 29'30" E along said centerline 217.49 feet; thence S 87 degrees 16' W along a fence line 265.14 feet; thence S 83 degrees 11' W along a fence line 28.25 feet; thence S 88 degrees 21" W along a fence line 63.07 feet; thence N 3 degrees 27' W along a fence line 46.32 feet; thence N 15 degrees 44' W along a fence line 41.09 feet to the point of beginning.

AND ALSO Beginning at a point which is North 789.36 feet and East 392.70 feet and N 3 degrees 00' E 541.07 feet and N 88 degrees 08' E 226.33 feet and N 1 degree 52' W 3.33 feet from the Southwest corner of the Northeast quarter of Section 9, Township 2 South, Range 1 East, Salt Lake Base and Meridian, and running thence N 88 degrees 08' E along the Chateau Foret Condominiums property line 77.04 feet; thence N 1 degree 52' W along said property line 19.60 feet; thence S 88 degrees 11'37" W along said property line 77.04 feet; thence S 1 degree 52' E 19.68 feet to the point of beginning.”

INCLUDING an easement in perpetuity as herein described, for ingress of the owners, their agents, employees, visitors and business invitees to the Property and the Units. The legal description of the aforesaid easement is as follows:

“Beginning at a point which is North 789.36 feet and East 392.70 feet and N 3 degrees 00' E 541.07 feet and N 88 degrees 08' E 226.33 feet from the Southwest corner of the Northeast quarter of Section 9, Township 2 South, Range 1 East, Salt Lake Base and Meridian, and running thence N 1 degree 52' W 3.33 feet; thence N 88 degrees 08' E 77.04 feet; thence N 1 degree 52' W 62.38 feet; thence N 88 degrees 00' E 258.55 feet to the centerline of Highland Circle; thence S 1 degree 00'20" W along said centerline 25.03 feet; thence S 88 degrees 00' W 234.29 feet; thence S 3 degrees 42'15" E 164.24 feet; thence S 70 degrees 00' W 29.75 feet; thence N 1 degree 52' W 110.98 feet; thence S 88 degrees 08' W 77.04 feet; thence N 1 degree 52' W 21.67 feet to the point of beginning.”

INCLUDING the right of access to and use of the swimming pool located on the Chateau Foret Condominium Property, subject to the conditions as set forth in this Declaration.

SUBJECT TO a grant of easement of the owners of each unit in the Chateau Foret Condominium Development, their heirs, successors or assigns in perpetuity for the ingress and egress of the owners, their tenants, agents, visitors, or business invitees to the owners' unit and the common areas. This easement is described as follows:

"Beginning at a point on the East boundary of grantors property on the centerline of Highland Circle, said point being North 1,177.88 feet and East 1,046.54 feet from the Southwest corner of the Northeast quarter of Section 9, Township 2 South, Range 1 East, Salt Lake Base and Meridian, AND RUNNING thence S 65 degrees 20' W 115.34 feet; thence S 87 degrees 42' W 209.33 feet; thence N 3 degrees 20' W 85.55 feet to the northerly line of grantors property; thence N 70 degrees 00' E along said northerly line 26.10 feet; thence S 3 degrees 20' E 68.48 feet; thence N 87 degrees 42' E 179.53 feet; thence N 65 degrees 20' E 110.47 feet to the centerline of said Highland Circle; thence S 24 degrees 29'30" E along said centerline 25.00 feet to the point of beginning." The aforesaid easement shall run with the land.

EXCLUDING all presently existing or to be constructed or installed sewer lines, water mains, gas lines, electrical conduits, telephone lines, and related facilities to the extent that they are located outside the Units included within the above-described tract.

RESERVING UNTO DECLARANT, however, such easements and rights of ingress and egress over, across and through and under the above-described tract and any improvements now or hereafter constructed thereon as may be reasonably necessary for Declarant (In a manner which is reasonable and not inconsistent with the provisions of this Declaration) to improve the Common Areas; with such facilities, including, but not limited to, roads, recreational facilities, walkways and various landscaped areas, designed for the use and enjoyment of all the Members as Declarant may reasonably determine to be appropriate. If, pursuant to the foregoing reservation, the above-described tract or any improvement thereon is traversed or partially occupied by a permanent improvement or utility line, a perpetual easement for such improvement or utility line shall exist. With the exception of such perpetual easements, the reservation hereby effected shall, unless sooner terminated in accordance with its terms, expire seven (7) years after the date on which this Declaration is filed for record in the office of the County Recorder of Salt Lake County, Utah.

ALL OF THE FOREGOING IS SUBJECT TO: All liens for current and future taxes, assessments and charges imposed or levied by governmental or quasi-governmental authorities; all patent reservations and exclusions; all mineral reservations of record and rights incident thereto; all instruments of record which affect the above-described tract or any portion thereof,

including without limitation, any mortgage or deed of trust; all visible easements and rights-of-way; and all easements and rights-of-way of record.

**AND**

“Beginning at a point which is North 789.36 feet and East 392.70 feet and N 3 degrees 00' E 356.70 feet from the Southwest corner of the Northeast quarter of Section 9, Township 2 South, Range 1 East, Salt Lake Base and meridian, and running thence N 3 degrees 00' E 184.37 feet; thence N 88 degrees 08' E 226.33 feet; thence N 1 degrees 52' W 3.33 feet; thence N 88 degrees 08' E 77.04 feet; thence N 1 degree 52' W 19.60 feet; thence S 88 degrees 11'37" W 266.58 feet; thence N 2 degrees 56' E 103.55 feet; thence N 87 degrees 00'00" W 34.57 feet; thence N 3 degrees 00'00" E 170.58 feet to the centerline of Big Cottonwood Creek; thence along said centerline of said creek as follows: S 76 degrees 00' E 153.00 feet more or less, S 56 degrees 30' E 77.00 feet more or less, N 70 degrees 10'E 311.00 feet more or less, and N 84 degrees 30' E 117.06 feet to the centerline of Highland Circle Road; thence S 74 degrees 45' W 86.80 feet along the center of Big Cottonwood Creek to a point of a 45.00 foot radius curve to the right, bearing to center 14 S 45 degrees 29'11" W, and running southerly along the arc of said curve 57.71 feet; thence S 81 degrees 02'15" E 32.77 feet to the centerline of the existing Highland Circle; thence S 27 degrees 26'20" W 61.515 feet to a point which is S 27 degrees 26'20" W 518.33 feet from a Salt Lake County surveyors monument at the centerline of the intersection of the Murray-Holladay Road and Highland Drive; thence S 1 degree 00'20" W 147.51 feet along the centerline of said Highland Circle; thence S 87 degrees 16' W 146.99 feet; thence N 89 degrees 03'47" W 9.30 feet; thence S 88 degrees 22'19" W 76.65 feet; thence S 2 degrees 42'15" E 146.86 feet; thence S 70 degrees 00'W 60.94 feet; thence S 80 degrees 00' W 292.31 feet to the point of beginning.” (Contains 4.280 acres)

EXCLUDING all presently existing or to be constructed or installed sewer lines, water mains, gas lines, electrical conduits, telephone lines, and related facilities to the extent that they are located outside the Units included within the above-described tract.

SUBJECT TO a grant of easement to Chateau Foret L.C., its successors or assigns in perpetuity for ingress and egress of its tenants, agents, employees, visitors of tenants and business invitees to certain apartments and appurtenant buildings located adjacent to the subdivision and property which is the subject of this Declaration. The legal description of the aforesaid easement is as follows:

“Beginning at a point which is North 789.36 Feet and East 392.70 feet and N 3 degrees 00' E 541.07 feet and N 88 degrees 08' E 226.33 feet from the Southwest corner of the Northeast quarter of Section 9, Township 2 South, Range 1 East, Salt Lake Base and Meridian, and running thence N 1 degree 52' W 3.33 feet; thence N 88 degrees 08' E 77.04 feet; thence N1 degree 52' W 62.38 feet; thence N 88 degrees 00' E 258.55 feet to the centerline of Highland Circle; thence S 1 degree 00'20" W along said centerline 25.03 feet; thence S 88 degrees 00' W 234.29 feet; thence S 3 degrees 12'15" E 164.24 feet; thence S 70 degrees 00' W 29.75 feet; thence N 1 degree 52' W 110.98 feet; thence S 88 degrees 08'W 77.04 feet; thence N 1 degree 12' W 21.67 feet to the point of beginning.”

RESERVING UNTO DECLARANT, however such easements and rights of ingress and egress over, across and through and under the above-described tract and any improvements now or hereafter constructed thereon as may be reasonably necessary for Declarant (In a manner which is reasonable and not inconsistent with the provisions of the Declaration) to improve the Common Areas; with such facilities, including, but not limited to, roads, recreational facilities, walkways and various landscaped areas, designed for the use and enjoyment of all the Members as Declarant may reasonably determine to be appropriate. If, pursuant to the foregoing reservation, the above-described tract or any improvement thereon is traversed or partially occupied by a permanent improvement or utility line, a perpetual easement for such improvement or utility line shall exist. With the exception of such perpetual easements, the reservation hereby effected shall, unless sooner terminated in accordance with its terms, expire seven (7) years after the date on which this Declaration is filed for record in the office of the County Recorder of Salt Lake County, Utah.

ALL OF THE FOREGOING IS SUBJECT TO: All the liens for current and future taxes, assessments and charges imposed or levied by governmental or quasi-governmental authorities; all patent reservations and exclusions; all mineral reservations of record and rights incident thereto; all instruments of record which affect the above-described tract or any portion thereof, including without limitation, any mortgage or deed of trust; all visible easements and rights-of-way; and all easements and rights-of-way of record.