

11843252

05/02/2014 09:47 AM \$140.00

Book - 10228 Pg - 1055-1120

GARY W. OTT

RECORDER, SALT LAKE COUNTY, UTAH

MORRIS SPERRY

7070 S UNION PARK CTR #220

MIDVALE UT 84047

BY: SSA, DEPUTY - WI 66 P.

When Recorded Return to:

John D. Morris
MORRIS & SPERRY
7070 South Union Park Center, Suite 220
Midvale, Utah 84047

**AMENDED AND RESTATED
DECLARATION OF CONDOMINIUM
FOR
PRESIDENTIAL VILLAS CONDOMINIUM**

Table of Contents

RECITALS 4

I. DEFINITIONS 5

II. SUBMISSION..... 11

III. COVENANTS, CONDITIONS, AND RESTRICTIONS 12

 1. Description of Improvements 12

 2. Description and Legal Status of the Property 12

 3. Membership in the Association 13

 4. Allocation of Profits, Losses and Voting Rights 13

 5. Limited Common Areas..... 13

 6. Conveyancing 13

 7. Architectural and Design Guidelines 13

 8. Ownership and Use Restrictions 14

 9. Leasing and Non-Owner Occupancy 20

 10. Easements, Support, Maintenance and Repair 23

 11. Liability of Owners and Residents For Damages and Waste..... 23

 12. Encroachments 23

 13. Management Committee 23

 14. Officers and Agents..... 23

 15. Management Committee Meetings 23

 16. Status and General Authority of Management Committee 23

 17. Delegation of Management Responsibilities..... 25

 18. Owners Meetings..... 25

 19. Lists of Owners, Renters, Eligible Mortgagees, Insurers and Guarantors 25

 20. Capital Improvements 25

 21. Operation, Maintenance and Alterations..... 26

 22. Common Expenses 27

 23. Special Assessments..... 30

 24. Benefit Assessments..... 30

 25. Individual Assessments 31

 26. Collection of Assessments 31

27.	Liability of Management Committee	33
28.	Insurance	34
29.	Destruction, Condemnation, and Obsolescence.....	39
30.	Consent in Lieu of Vote	42
31.	Mortgagee Protection	43
32.	Amendment	44
33.	Due Process	46
34.	Separate Taxation.....	46
35.	Interpretation	46
36.	Covenants to Run with Land.....	47
37.	Enforcement and Right to Recover Attorney Fees.....	47
38.	Agent for Service of Process.....	47
39.	Combination of Units.....	47
40.	Effective Date.....	48

**AMENDED AND RESTATED
DECLARATION OF CONDOMINIUM
FOR
PRESIDENTIAL VILLAS CONDOMINIUM**

This Amended and Restated Declaration of Condominium is made and executed this ____ day of _____, 2014, by the Management Committee of the Presidential Villas Homeowners Association (the Association).

RECITALS:

- A. The DECLARATION OF CONDOMINIUM FOR PRESIDENTIAL VILLAS CONDOMINIUM was recorded on October 16, 2006 in the Salt Lake County Recorder's office as Entry No. 9877244, beginning at Book 9366, Page 1 (the Declaration).
- B. An AMENDMENT TO DECLARATION OF CONDOMINIUM FOR PRESIDENTIAL VILLAS CONDOMINIUM was recorded on July 14, 2009 in the Salt Lake County Recorder's office as Entry No. 10754000, beginning at Book 9745, Page 6982.
- C. A SECOND AMENDMENT TO DECLARATION OF CONDOMINIUM FOR PRESIDENTIAL VILLAS CONDOMINIUM was recorded on February 28, 2011 in the Salt Lake County Recorder's office as Entry No. 11141759, beginning at Book 9908, Page 1291.
- D. A THIRD AMENDMENT TO DECLARATION OF CONDOMINIUM FOR PRESIDENTIAL VILLAS CONDOMINIUM was recorded on February 28, 2011 in the Salt Lake County Recorder's office as Entry No. 11141760, beginning at Book 9908, Page 1295.
- E. The Association has obtained and now owns a Parking Lot adjacent to the Project that, by the terms of this Declaration and the amended plat to be recorded for that Parking Lot, shall become part of the Common Area of the Association and subject to all of the provisions applicable to common area in this Declaration.
- F. This document affects the real property located in Salt Lake County, Utah, described with particularity on Exhibits "A" and "B", attached hereto and incorporated here by reference (the Property).
- G. The Unit Owners desire to update the Declaration to adopt recent changes in applicable state law and incorporate previous amendments into one document. The Unit Owners intend for this document to replace and supersede all previous declarations and amendments thereto.
- H. As evidenced by this instrument, the Management Committee has obtained the affirmative written vote or consent of at least sixty-seven percent (67%) of the Total

Votes of the Association cast in person or by proxy at a meeting duly called for such purpose or otherwise approved in writing by such Owners without a meeting, as required by Article III, paragraph 32(a) of the Declaration.

NOW, THEREFORE, pursuant to the foregoing, the Management Committee hereby makes and executes this amendment to the Declaration, which shall be effective as of its recording date.

I. DEFINITIONS

When used in this Declaration (including in that portion hereof entitled "Recitals"), each of the following terms shall have the meaning indicated.

1. Act shall mean the Utah Condominium Act.
2. Articles of Incorporation shall mean and refer to the Articles of Incorporation of the Presidential Villas Homeowners Association, Inc. on file with the Utah Department of Commerce, or such amendment or replacement thereto as may be allowed by law.
3. Assessment shall mean and refer to any amount imposed upon, assessed or charged a Unit Owner or Resident at the Project.
4. Association shall mean and refer to all of the Unit Owners at Presidential Villas Condominium taken as or acting as, a group in accordance with the Declaration. When the Association is incorporated or otherwise organized into an entity as allowed by law, reference to the Association shall mean the Corporation or other entity.
5. Building shall mean and refer to any of the structures constructed in the Project.
6. Business Use and Trade shall mean and refer to any occupation, work, or activity which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether such activity is engaged in full or part-time or whether a license is required therefore.
7. Bylaws shall mean and refer to the Bylaws of the Association, which are incorporated in this Declaration by reference and which are attached hereto as Exhibit "D" or, if amended, are properly recorded with the Salt Lake County Recorder's office.
8. Capital Improvement shall mean and refer to all new improvements intended to add to, enhance or upgrade the nature, scope, utility, value, or beauty of the Project, as opposed to ordinary repair and maintenance.
9. City shall mean and refer to the City of Salt Lake.

10. Committee shall mean and refer to the Management Committee of the Association as duly constituted.
11. Common Areas shall mean and refer to all real property in the Project owned in common by the Unit Owners including but not limited to the following items:
- a. The real property and interests in real property submitted hereby, including the entirety of the Tract and all improvements constructed thereon, excluding the individual Units.
 - b. All Common Areas and Facilities designated as such in the Condominium Plat.
 - c. All Limited Common Areas designated as such in the Condominium Plat.
 - d. All utility installations and all equipment connected with or in any way related to the furnishing of utilities to the Project and intended for the common use of all Unit Owners, such as telephone, electricity, gas, water, cable television, and sewer.
 - e. The Project's outdoor grounds, private roads, driving lanes, parking amenities, sidewalks, entry and any monument.
 - f. All portions of the Project not specifically included within the individual Units.
 - g. All other parts of the Project normally in common use or necessary or convenient to the use, existence, maintenance, safety, operation or management of the Property owned by the Association for the common benefit of its Members.

Provided, however, utility installations such as telephone, electricity, gas, water, and sewer may be dedicated to the City and, if so, this definition shall not be construed to allow the Association to exclude the City from the ownership and control of the utility systems so dedicated.

12. Common Expense shall mean and refer to: a) The expense of all irrigation water; b) All sums lawfully assessed against the Owners; c) Expenses of administration, maintenance, repair or replacement of the Project; d) Expenses allocated by the Association among the Owners; e) Expenses agreed upon as common expenses by the Association and; f) Expenses declared common expenses by the Declaration.
13. Community shall mean and refer to the Project.
14. Community Wide Standard shall mean and refer to the standard of conduct, maintenance, or other activity generally prevailing in the Community or on any particular floor of the Building, as determined by the Management Committee from time to time.

15. Condominium Plat shall mean and refer to the "Condominium Plat of the Presidential Villas Condominium" on file in the office of the County Recorder of Salt Lake County, as amended or supplemented from time to time.
16. Declaration shall mean and refer to this Declaration of Condominium for Presidential Villas Condominium.
17. Design Guidelines shall mean and refer to the architectural and engineering plans and specifications and guidelines prepared by the developer and approved by the City for the construction of the Building, Units, and other physical improvements in the Project, including by way of illustration but not limitation all structural components and Exterior Materials. The City shall assume no responsibility for enforcement of the Design Guidelines, but reserves the right to and may enforce any Design Guideline at any time and in its sole discretion.
18. Eligible Insurer shall mean and refer to an insurer or governmental guarantor of a mortgage or trust deed who has requested notice in writing of certain matters from the Association in accordance with this Declaration.
19. Eligible Mortgagee shall mean and refer to a mortgagee, beneficiary under a trust deed, or lender who has requested notice in writing of certain matters from the Association in accordance with this Declaration.
20. Eligible Votes shall mean and refer to those votes available to be cast on any issue before the Association or the Committee. A vote which is for any reason suspended is not an "eligible vote."
21. Exterior Materials shall mean and refer to stone, rock, stucco, wood, finished lumber, brick, or other similar materials but shall not mean cinder block or concrete block or aluminum or vinyl siding. Exterior residence materials shall be of a noncombustible material as approved by the City. The City shall assume no responsibility for enforcement of the External Materials, but reserves the right to and may enforce any External Material requirement at any time and in its sole discretion. The determination whether any specific material constitutes an acceptable Exterior Material shall be made by the Management Committee.
22. Family shall mean one of the following: 1) a single person living alone; 2) a group of natural persons related to each other by blood or legally related to each other by marriage or adoption, with an additional person or persons as domestic help or a caretaker or; 3) a group of not more than three unrelated persons living and cooking together as a single housekeeping unit and maintaining a common household, but not as a boarding or rooming house.
23. Guest shall mean and refer to an invitee, Permittee, temporary visitor or any person whose presence within the Project is approved by or is at the request of a particular Resident.

24. Individual Charge shall mean and refer to a charge levied against an Owner, Guest or Permittee for all expenses resulting from the act or omission of such Person, excepting the Owner's failure to pay any Assessment.
- a. The act or negligence of any Guest or Permittee shall be deemed to be the act or negligence of the Owner responsible for such Person.
 - b. Individual Charges shall include, by way of illustration but not limitation, any expense resulting from the act or omission of any Owner, Guest or Permittee including:
 1. The cost to repair any damage to any portion of the Tract or Improvement thereon on account of loss or damage caused by such Person; or
 2. The cost to satisfy any expense to any other Owner or Owners or to the Association due to any intentional or negligent act or omission of such Person, or resulting from the breach by such Person of any provisions of the Project Documents; and
 3. Any transient occupancy tax, sales tax, use tax or other tax levied pursuant to the laws of the State of Utah and payable by any Owner, Guest or Permittee, which the Association is or shall be required or entitled to collect on behalf of the levying authority; although this subsection is not considered an acknowledgment that any such tax may be levied.
 4. While Individual Charges are not Assessments, they are secured by a lien in the same manner as Assessments, as set forth below. The Association also shall have all other remedies, both legal and equitable, described in the Project Documents available against any Owner for nonpayment.
25. Land shall mean and refer to all of the real property subject to this Declaration.
26. Limited Common Areas shall mean and refer to those Common Areas designated in this Declaration or in the Condominium Plat as reserved for the use of a certain Unit Owner to the exclusion of the other Unit Owners. Any portico, colonnade, Unit entry, doorsteps, landings, porches, balconies, decks, patios, private yard areas, garages, assigned parking spaces, or other improvements intended to serve only a single Unit, shall constitute Limited Common Area appertaining to that Unit exclusively, whether or not the Condominium Plat makes such a designation.
27. Majority shall mean and refer to those eligible votes of Owners or other groups as the context may indicate totaling more than fifty percent (50%) of the total eligible number.
28. Management Committee shall mean and refer to the committee of Owners elected to direct the affairs of the Association.

29. Manager shall mean and refer to the person or entity appointed or hired by the Association to manage and operate the Project and/or assist in the administration of the Association.
30. Map shall mean and refer to the Condominium Plat.
31. Member, unless the context clearly requires otherwise, shall mean and refer to the Owner of a Unit, each of whom is obligated, by virtue of his ownership to be a member of the Association.
32. Mortgage shall mean and refer to a first mortgage or first deed of trust on any Unit, but shall not mean or refer to an executory contract of sale.
33. Mortgagee shall mean and refer to a mortgagee under a first mortgage or a beneficiary under a first deed of trust on any Unit, but shall not mean or refer to a seller under an executory contract of sale.
34. Office of the County Recorder or County Recorder shall mean and refer to the Office of the County Recorder of Salt Lake County, Utah.
35. Owner shall mean and refer to the person who is listed as the reputed owner or owners of record in the office of the County Recorder of Salt Lake County, Utah, of a fee or an undivided fee interest in a Unit, excluding a mortgagee or a beneficiary or trustee under a deed of trust, unless and until such party has acquired title pursuant to foreclosure or any arrangement or proceeding in lieu thereof.
36. Parking Lot shall mean and refer to the parking area described in Exhibit "B" and incorporated as common area into the project, subject to all easements of record and any use associated therewith.
37. Permittee shall mean a Guest, Tenant, resident occupant, visitor, invitee or family member.
38. Permanent Resident shall mean and refer to anyone who resides in the Project for more than four (4) consecutive weeks or for more than eight (8) weeks in any calendar year.
39. Person shall mean and refer to a natural person, corporation, partnership, trust, limited liability company, or other legal entity.
40. Project shall mean and refer to this, the Presidential Villas Condominium Project.
41. Project Documents shall mean and refer to the Declaration, By-laws, Rules and Regulations (House Rules), and Articles of Incorporation.

42. Property shall mean and refer to all of the land or real estate, improvements and appurtenances submitted to the Act and this Declaration.
43. Recreational, Oversized or Commercial Vehicle shall mean and refer to any recreational, commercial or oversized vehicle, motor home, commercial vehicle, tractor, golf cart, mobile home or trailer (either with or without wheels), camper, camper trailer, boat or other watercraft, boat trailer, or any other recreational or commercial transportation device of any kind.
44. Repair shall mean and refer to merely correcting the damage done sometimes by accident or fire or other cause, but more often due to the ravages of time and the deterioration resulting from ordinary wear and tear, by substituting for the damage, decayed or worn-out parts, new material, usually similar to that replaced, and so restoring the structure to its original sound condition.
45. Reserve Study shall mean an analysis to determine: 1) the need for a reserve fund to accumulate money to cover the cost of repairing, replacing, and restoring Common Area that has a useful life of three years or more, but excluding any cost that can reasonably be funded from the general budget or other funds of the Association and; 2) the appropriate amount of any reserve fund.
46. Resident shall mean and refer to any person living or staying at the Project. This includes but is not limited to all lessees, tenants and family members, agents, representatives, or employees of Owners, tenants or lessees.
47. Residential Unit shall mean and refer to a Residential Unit in the Project.
48. Rules shall mean rules, regulations, and procedures, including "house rules" written by the Management Committee and which must be complied with by Owners, Guests and Residents.
49. Single Family shall mean one family unit.
50. Single Family Residence shall mean and refer to both the architectural style of a Unit and the nature of the residential use permitted.
51. Size shall mean and refer to the number of cubic feet or the number of square feet of ground or floor space, within each Unit as computed by reference to the Plat Map and rounded off to a whole number. Certain spaces within the Units, such as garage space, may be omitted from the calculation or be partially discounted by the use of a ratio if the same basis of calculation is employed for all Units in the Project, and if that basis is described in the Project Documents.
52. Total Votes of the Association shall mean and refer to the total number of votes appertaining to all Units in the Project.

53. Tract shall mean and refer to all of the real estate submitted to the Declaration.
54. Unit shall mean and refer to a separate physical part of the Property intended for independent use, including one or more rooms or spaces located in one or more floors or part or parts of floors in a building. Mechanical equipment and appurtenances located within any one Unit, or located without said Unit but designated and designed to serve only that Unit, such as appliances, electrical receptacles and outlets, air conditioning compressors, furnaces, water heaters, apparatus, systems or equipment, fixtures and the like, shall be considered part of the Unit; so shall all decorated surfaces of interior walls, floors and ceilings, including but not limited to all paint, wallpaper, wall coverings, windows and window frames, doors and door frames, trim, carpeting, tile and linoleum. All pipes, wires, conduits, or other utility lines or installations constituting a part of the Unit or serving only the Unit, and any structural members, parts, components or any other property of any kind, including fixtures or appliances within any Unit, which are removable without jeopardizing the integrity, soundness, safety or usefulness of the remainder of the Building within which the Unit is located, shall be deemed to be part of the Unit.
55. Unit Number shall mean and refer to the number, letter or combination thereof designating a particular Unit.
56. Use Restrictions shall mean and refer to the rules, regulations and use restrictions described with particularity below, as they may be modified, amended, repealed, canceled, limited, withdrawn or expanded from time to time.

II. SUBMISSION

The Land described with particularity on Exhibits "A" and "B" attached hereto and incorporated herein by this reference is hereby submitted to the Act.

The Land is hereby made subject to, and shall be governed by the Act, and the covenants, conditions and restrictions set forth herein. The Land is also subject to the right of the City to access the road or roads within the Project for emergency vehicles, service vehicles, and to all of the utility installations up to the residential meters.

The Land is SUBJECT TO the described easements and rights-of-way. Easements and rights-of-way in favor of the City include any dedicated roadways and public utility easements and are depicted on the Condominium Plat.

TOGETHER WITH all easements, rights-of-way, and other appurtenances and rights incident to, appurtenant to, or accompanying the above-described parcel of real property, including by way of illustration and not limitation, all easements and rights-of-way in and to the detention basin, entry way, monument, and park.

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 reservation and exclusions; any 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 and necessary easements and rights-of-way; all easements and rights-of-way of record; any easements, rights of-way; encroachments, or discrepancies shown on or revealed by the Condominium Plat or otherwise existing; an easement for each and every common area improvement, equipment, pipes, lines, cables, wires, utility systems, or similar facilities which traverse or partially occupy the above-described Tract; and all easements necessary for servicing, repairing, ingress to, egress from, maintenance of, and replacement of all such common area improvements, equipment, pipes, lines, cables, wires, utility systems, and similar facilities.

III. COVENANTS, CONDITIONS, AND RESTRICTIONS

The foregoing submission is made upon, under and subject to the following covenants, conditions, and restrictions:

1. Description of Improvements. The Project contains one Building and twenty-four (24) Residential Units. The Building is four stories with a common enclosed underground parking area and individual common storage units in said parking area and also inside the building. There are four models or styles of Units. There are two and three bedroom Units. There are thirty-six (36) covered parking spaces in an enclosed underground parking area. There are twelve (12) individual enclosed garages located outside east of the Building. Each Unit is deeded either two spaces in the underground garage, or one parking space underground and one outside single parking garage. Each Unit has an appurtenant patio or deck. The Building is constructed principally of a concrete foundation with exterior walls of brick, rock, stone or stucco veneer, asphalt shingle roofing, and interior walls of wood studs, plywood, and dry wall plaster. The Common Area and Facilities include an office space, club or social room, television or entertainment room, weight or exercise room, roads, driving lanes, parking amenities, walkways, entry, and monument. Donner Way is a public road. Donner Circle is a private road. The Project includes a Parking Lot, which shall be available for use by the Owners as provided for herein. The Project also contains other improvements of a less significant nature. The location and configuration of the common area improvements in this paragraph may be depicted on the Condominium Plat and may, consistent with this Declaration, be moved, eliminated, reconfigured, or changed in use.
2. Description and Legal Status of the Property. The Condominium Plat shows the Unit Number of each Unit, its location, those Limited Common Areas and Facilities, which are reserved for its use, and the Common Areas and Facilities to which it has immediate access. All Units shall be capable of being independently owned, encumbered and conveyed; and shall have an appurtenant undivided percentage of ownership interest in the Common Areas and Facilities, subject to the rights of the City and all easements of record.

3. Membership in the Association. Since membership in the Association is mandatory, each Unit Owner is a member of the Association and membership may not be partitioned from the ownership of a Unit.
4. Allocation of Profits, Losses and Voting Rights. Profits, losses and voting rights shall be distributed among the Owners according to their relative Unit square footage as outlined in Exhibit "C" of this Declaration. The undivided interest of each Unit Owner in the Common Areas and Facilities, set forth on Exhibit "C" attached hereto and incorporated herein by this reference, shall have a permanent character and shall not be altered without the consent of two-thirds (2/3) of the Unit Owners expressed in an amended declaration duly recorded.
5. Limited Common Areas. Limited Common Areas are also Common Areas. Limited Common Area may not be partitioned from the Unit to which it is appurtenant. The exclusive use of Limited Common Area is reserved to the Unit to which it is assigned on the Condominium Plat, as amended from time to time.
6. Conveyancing. Any deed, lease, mortgage, deed of trust, or other instrument conveying or encumbering a Unit shall describe the interest or estate involved substantially as follows:

All of Suite (unit) _____, PRESIDENTIAL VILLAS CONDOMINIUM, as the same is identified in the Condominium Plat recorded in Salt Lake County, Utah as Entry No. _____, in Book _____, at Page _____ of the official records of the County Recorder of Salt Lake County, Utah (as said Condominium Plat may have heretofore been amended or supplemented) and in the Declaration of Condominium for PRESIDENTIAL VILLAS CONDOMINIUM recorded in Salt Lake County, Utah as Entry No. _____ in Book _____ at Page _____ of the official records of the County Recorder of Salt Lake County, Utah (as said Declaration may have heretofore been supplemented), together with an undivided percentage of ownership interest in the common areas and facilities.

Regardless of whether or not the description employed in any such instrument is in the above-specified form, all provisions of this Declaration shall be binding upon and shall inure to the benefit of any party who acquires any interest in a Unit. Neither the membership in the Association, nor percentage of ownership interest in the Common Areas, nor the right of exclusive use of a Limited Common Area shall be separated from the Unit to which it appertains; and, even though not specifically mentioned in the instrument of transfer, such mandatory membership in the Association and such right of exclusive use shall automatically accompany the transfer of the Unit to which they relate.

7. Architectural and Design Guidelines. The developer prepared Design Guidelines for the Project, which were approved by the City. The City shall assume no responsibility for enforcement of the Design Guidelines, but reserves the right to and may enforce any Design Guideline at any time and in its sole discretion. The approved Design Guidelines shall apply to all construction activities within the Project. The approved Design Guidelines may not be at any time changed, amended, or supplemented without the

express written consent of the City. The Association must stamp all proposed plans and specifications to construct or remodel the Building or Unit "approved and in compliance with the Declaration and Design Guidelines" before presenting such plans and specifications to the City for the issuance of a building permit.

8. Ownership and Use Restrictions. Each Owner, of whatever kind, shall be entitled to the exclusive ownership and possession of his Unit, to an undivided percentage of ownership interest in the Common Areas, and to membership in the Association as set forth herein, subject to the following use restrictions:
 - a. Nature and Restrictions on Ownership and Use in General. Each Owner shall have and enjoy the privileges of fee simple ownership of his Unit. There shall be no requirements concerning who may own a Unit, it being intended that they may and shall be owned as any other property rights by persons. The Common Areas shall only be used in a manner consistent with the mixed use but primarily residential nature of the Project.
 - b. Title to the Common Area. Each Unit Owner shall be entitled to an undivided percentage of undivided ownership interest in and to the Common Areas and Facilities, free and clear of all liens (other than current year's taxes, if any).
 - c. Mandatory Association. Each purchaser of a Unit, by virtue of accepting deed or other document of conveyance thereto, shall automatically become a member of the Association.
 - d. Member's Easements and Rights-of-Way. Every Member of the Association shall, as an Owner, have the right and non-exclusive easement to use and enjoy the Common Area and Facilities. Such right and easement shall be appurtenant to and shall pass with the title to every Unit, subject to the following restrictions:
 1. The right of the Association to limit the number of Guests, and to adopt administrative rules and regulations from time to time governing the use and enjoyment of the Common Area.
 2. The right of the Association to suspend the voting rights and the privilege to use the recreational amenities by a member for: a) any period during which his Common Area Assessment remains delinquent, and; b) a period not to exceed thirty (30) days after notice and hearing as may be set forth hereinafter for any infraction of the Association rules.
 3. Subject to the prior written consent of Federal Housing Administration of the United States Department of Housing and Urban Development (FHA), the Federal Home Loan Mortgage Corporation or the Mortgage Corporation

(FHLMC), Federal National Mortgage Association (FNMA), Government National Mortgage Association (GNMA) or the Department of Veterans Affairs (VA) (where appropriate), the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for the purpose of providing utilities and similar or related purposes.

4. The right of the Association to charge a reasonable admission or other user fee for the use of any recreational facility situated upon the Common Area.
5. The right of the Association to regulate the use of the Parking Lot, including but not limited to the following types of regulation:
 - a. The Association may adopt Rules limiting use to certain types or sizes of vehicles, certain times or durations, and providing for certain exceptions and periods when the Parking Lot cannot be used.
 - b. The Association may enter into temporary or permanent agreements, including cross-easement agreements related to the use and maintenance of the Parking Lot, upon unanimous consent of the members of the Management Committee.
 - c. Subject to the unanimous consent of the members of the Management Committee, the Association may enter into temporary or permanent agreements to expand the use of the Parking Lot for Owners including but not limited to entering into leases of parking space otherwise subject to easement rights of other persons or neighboring condominium associations.
- e. Rules and Regulations. The Association, acting through its Management Committee, shall have the power and authority to adopt administrative and/or "house rules" and regulations and in its sole discretion, to impose reasonable user fees for the amenities. Such rules, regulations and use restrictions shall be binding upon all Owners and Residents, their Guests and invitees.
 1. Parties Bound. All provisions of the Project Documents shall be binding upon all Owners and Residents, their families, guests and invitees.
 2. Nuisance. It shall be the responsibility of each Owner and Resident to prevent the creation or maintenance of a nuisance in, on or about the Project. The term "nuisance" includes but is not limited to the following:
 - a. The development of any unclean, unhealthy, unsightly, or unkempt condition on, in or about his Unit or the Common Areas;
 - b. Maintaining any plants, animals, devices or items, instruments, equipment, machinery, fixtures, or things of any sort whose activities or existence in any

way is illegal, noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Community by other residents, their guests or invitees;

- c. Unreasonable amounts of noise or traffic in, on or about any Unit or the Common Area, especially after 10:00 p.m. and before 7:00 a.m. during the week, and after midnight (12:00 a.m.) and before 8:00 a.m. during weekends; and
 - d. Drug houses and drug dealing; the unlawful sale, manufacture, service, storage, distribution, dispensing or acquisition occurs of any controlled substance; gambling; criminal activity; parties which occur frequently which bother, annoy or disturb other reasonable residents or interfere with their quiet and peaceful enjoyment of the premises; prostitution; or other violation of U.C.A., Section 78-38-9 (1999) as amended or supplemented.
3. Removing Garbage, Dust and Debris. All rubbish, trash, refuse, waste, dust, debris and garbage shall be deposited in sealed plastic bags or other authorized containers, shall be regularly removed from the Unit and not be allowed to accumulate therein so as to create a sanitation, health or safety hazard, and shall be disposed of within dumpsters provided by the Association.
 4. Subdivision of a Unit. No Unit may be subdivided.
 5. No Severance. The elements of a Unit and other rights appurtenant to the ownership of a Unit, including interest in Common Areas and Facilities and Limited Common Areas and Facilities, if any, are inseparable, and each Owner agrees that he shall not, while this Declaration is in effect, make any conveyance of less than an entire Unit and such appurtenances. Any conveyance made in contravention of this Subsection, including under any conveyance, encumbrance, judicial sale or other transfer (whether voluntary or involuntary) shall be void.
 6. Firearms, Incendiary Devices and Graffiti. The use of firearms and incendiary devices, or the painting or graffiti, within the Project is prohibited. The term firearms includes but is not limited to all guns, pistols, handguns, rifles, automatic weapons, semi-automatic weapons, BB guns, pellet guns, sling shots, wrist-rockets, paint ball guns, blow-dart guns, and other firearms of all types, regardless of size.
 7. Temporary Structures. No Owner or occupant shall place upon any part of the Project any temporary structures, including but not limited to dog runs, storage units, tents, trailers and sheds or their equivalent, without the prior written consent of the Committee; provided, however, tents may be allowed for up to forty-eight (48) hours by unit owners in their Limited Common Areas or the Common Area immediately adjacent to their buildings.

8. Trees, Shrubs and Bushes, Maintenance of Proper Sight Distance at Intersections. All property located at or near driveways, entrances, exits, walkways, paths and street intersections or corners shall be landscaped so as to remove any obstructions and to permit safe sight. No fence, wall, hedge, shrub, bush, tree or monument, real or artificial, shall be planted or placed by any Owner or occupant in, on or about the Common Areas without the prior written consent of the Committee. The Management Committee may alter or remove any objects planted or placed in violation of this subsection and shall not be guilty of a trespass.
9. Energy Conservation Equipment. Unless expressly and explicitly allowed by Utah statute, no solar energy collector panels, other energy conservation equipment or attendant hardware shall be constructed or installed on the Project without the prior written consent of the Management Committee.
10. Business Use. No Business Use and Trade may be conducted in or from any Residential Unit unless: a) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the residence; b) the business activity conforms to all zoning requirements and home occupation ordinances governing the Project; c) the business activity does not involve persons coming onto the Project who do not reside in the Project or door-to-door solicitation of residents of the Project and; d) the business activity is consistent with the residential character of the Project and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Project, as may be determined in the sole discretion of the Committee. Notwithstanding the above, the leasing of a residence shall not be considered a trade or business within the meaning of this sub-section.
11. Storage and Parking of Vehicles. The driving, parking, standing and storing of motor vehicles in, on or about the Project shall be subject to the following:
 - a. The parking rules and regulations adopted by the Management Committee from time to time:
 - b. The parking areas are not designed for Recreational, Commercial or Oversized motor vehicles and the Management Committee has the right to make rules and regulations restricting or prohibiting their use. Unless otherwise determined by the Management Committee, all Recreational, Commercial and Oversized Vehicles shall be parked outside the Project, except for purposes of loading and unloading.
 - c. No motor vehicle or trailer may be parked or stationed in such a manner so as to create a potentially dangerous situation.
 - d. Except for purposes of loading and unloading, no motor vehicle or trailer may be parked or stationed in such a manner so as to create an obstacle or along

any street or road, or in front of any garage, underground parking space, walkway, driveway, entrance, exit, parking area, Building or Unit, or in an unauthorized Common Area.

- e. Residents may only park their motor vehicles within their designated garages or designated parking spaces in the enclosed underground parking area.
 - f. Residents may not park their motor vehicles in red zones, fire lanes, Guest or visitor parking, or other unauthorized areas.
 - g. Visitors or Guests shall park their motor vehicles in Common Areas designated for Guest or visitor parking.
 - h. No Owners or Residents shall repair or restore any vehicle of any kind in parking areas designated to the Building or Common Area, on or about any designated parking area or Common Area, except for emergency repairs, and then only for a seventy-two (72) hour period to enable movement thereof to a proper repair facility.
 - i. No garage may be altered in such a manner that the number of motor vehicles, which may reasonably be parked therein after the alteration, is less than the number of motor vehicles that could have been reasonably parked in the garage as originally designed and constructed.
 - j. All parking areas shall be used solely for the parking of motor vehicles and other uses permitted in the Rules.
12. Aerials. Antennas and Satellite Systems. Antennas and satellite dishes shall be prohibited within the Property, except: a) antennas or satellite dishes designed to receive direct broadcast satellite service which are one meter or less in diameter or diagonal measurement; b) antennas or satellite dishes designed to receive video programming services via multipoint distribution services which are one meter or less in diameter or diagonal measurement. Individual Unit antennas or satellite dishes designed to receive television broadcast signals shall be permitted, provided that any such permitted device is located in the interior space of the Unit so as not to be visible from outside the Unit or Building. In the event a Unit owner desires to obtain programming not available by the broadcasting system utilized by the Building which cannot be installed in the interior of a Unit, the Management Committee may approve of an individual Unit antenna or satellite dish to be installed in the Limited Common Area (deck) adjacent to the Unit for those Units located on the east side only. No antennas or satellite dishes will be allowed on the Donner Way side (west side) of the Building. In the event of any conflict, incongruity or inconsistency between these restrictions and FCC Guidelines, the latter shall in all respects govern and control.

13. Window Coverings, Awnings and Sun Shades. No aluminum foil, newspapers, reflective film coatings, or any other similar materials may be used to cover the exterior windows of any residential structure of a Unit. Sun shades are not allowed on the exterior of any Building, unless the color, style, construction material and uniformity of appearance are approved by the Management Committee.
14. Windows & Interior Unit Front Doors. All windows and window panes in the Project shall be harmonious, and comparable in size, design and quality so as not to detract from uniformity in appearance and quality of construction. All Unit front doors must remain uniform. Replacement of any window(s) or front door other than those in the original Design Guidelines, must be approved by the Management Committee.
15. Pets. No pets, animals, livestock or poultry of any kind shall be bred in, on or about the Project. Up to two (2) domestic pets per Unit are allowed and must be owned by the Owner or Resident. All pets must be properly licensed and registered with the appropriate governmental agency, abide by all pet rules (Pet Policy) and regulations adopted by the Management Committee. Pets may not create a nuisance. The following acts of an animal, in addition to others, may constitute a nuisance: a) it causes damage to the property of anyone other than its owner; b) it causes unreasonable fouling of the air by odors; c) it causes unsanitary conditions; d) it defecates on any common area and the feces are not immediately cleaned up by the responsible party; e) it barks, whines or howls, or makes other disturbing noises in an excessive, continuous or untimely fashion or; f) it molests or harasses passersby by lunging at them or chasing passing vehicles. Pets may not be tied or tethered in the Common Area. The Management Committee may require a pet deposit or a pet registration fee. Pets owned by Guests, Permittees or visitors, other than family, are not allowed at any time, including those of a temporary "house sitter." Each Person by virtue of his acceptance of a deed or other document of conveyance to a Unit, or being a Guest or Permittee, agrees that any and all unauthorized pets or pets in violation of the Project Documents, including dogs and cats, may be picked-up by or taken to Animal Control by the Management Committee or Manager without further notice or warning, and without liability, such said Person hereby expressly waiving any such claim.
16. Insurance. Nothing shall be done or kept in, on or about any Unit or in the Common Areas or Limited Common Areas which may result in the cancellation of insurance on the Property or an increase in the rate of the insurance on the Property.
17. Laws. Nothing shall be done or kept in, on or about any Unit or Common Areas and Facilities, or any part thereof, which would be a violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body.

18. Damage or Waste. No damage to, or waste of, the Common Areas or Limited common Areas shall be committed by any Owner or Resident, their Guests or invitees; and each Owner and Resident shall indemnify and hold the Management Committee and the other Owners in the Project harmless against all loss resulting from any such damage or waste caused by that Owner or Resident, their Guests or invitees.
 19. Structural Alterations. Except in the case of a temporary emergency repair to preserve property or for safety purposes, no structural alterations, plumbing, electrical or similar work within the Common Areas or Limited Common Areas shall be done or permitted by any Owner without the prior written consent of the Management Committee.
 20. No Smoking. Owners shall not Smoke or permit or allow any Smoking in any Unit (including patio/deck area), Limited Common Area, or Common Areas and Facilities within and on the Property, including landscaped areas, grounds and all parking areas owned by the Project. As used herein, the terms "Smoking" and "Smoke" mean inhaling, exhaling, burning, smoldering, or carrying any burning or lighted cigar, cigarette, tobacco, illicit substances, or similar material in any manner or in any form.
 21. Fines. The Management Committee is authorized to assess fines for violations of the terms of the Rules or this Declaration as provided for in the Rules.
9. Leasing and Non-Owner Occupancy. Notwithstanding anything to the contrary in this Declaration or in the By-laws, any leasing and non-owner occupancy of a Unit shall be governed by this section (9) and rules and procedures adopted as allowed in this section.
- a. For the purpose of this section:
 1. "Non-Owner Occupied Unit" means:
 - a. For a Unit owned in whole or in part by an individual or individuals, the Unit is occupied by someone when no individual Owner occupies the Unit as the individual Owner's primary residence; or
 - b. For a Unit owned entirely by one or more entities or trusts, the Unit is occupied by anyone.
 2. "Family Member" means
 - a. the parent, sibling, or child of an Owner, or
 - b. in the case of a Unit owned by a trust or other entity created for estate planning purposes, a person occupying the Unit if the trust or other estate

planning entity that owns the Unit was created for the estate of 1) a current occupant of the Unit or 2) the parent, child, or sibling of the current occupant of the Unit.

- b. Except as provided in subsection (c) below, no Unit is permitted to be a Non-Owner Occupied Unit.
- c. The following Units may be Non-Owner Occupied Units:
 - 1. Units that do not otherwise qualify for any exception under this subsection (c), but that were Non-Owner Occupied Units when this Section (9) was adopted on February 23, 2011. These Units may continue to be Non-Owner Occupied under this exception until: 1) an Owner, or an officer, member, trustee, beneficiary, director, or person holding a similar position of ownership or control of an entity or trust that holds an ownership interest in the Unit, occupies the Unit or 2) the ownership of the Unit, as evidenced by the records at the county recorder, changes in any way. Upon either of these occurrences, the Unit's qualification for this exception irrevocably terminates.
 - 2. A Unit owned by a person in the military for the period of the Owner's deployment.
 - 3. A Unit occupied by a Family Member as described in 9.2.
 - 4. A Unit whose Owner was relocated by the Owner's employer for a period of not less than two years.
 - 5. A Unit owned by a resident who uses the Unit as a primary residence and due to health reasons will be living in an assisted living, rehabilitation, or other long-term healthcare facility for one year or more; and
 - 6. A Unit that is occupied by a "house-sitter" for an Owner who occupies the Unit but is temporarily staying away from the Unit, but only under the following conditions: 1) no furniture or substantial personal items are moved in or out, 2) no rent or other remuneration is paid by the house-sitter related to occupying the Unit, 3) the house-sitter has a familial or previously existing personal or professional relationship with the Owner of more than two years prior to the occupancy, 4) the house-sitter complies with all other requirements in the Rules, Declaration, and By-laws of the Association, 5) all utilities and services to the Unit, including phone, power, internet, and television remain in the name of the Owner, 6) the physical mailing address of the Owner remains at the Unit, and 7) the Owner complies with other disclosure requirements, additional restrictions, and other conditions as may be provided for in the Rules.
- d. The Management Committee may adopt rules with further reporting and procedural requirements related to non-owner occupants other than those found in this Section

(9), including requiring that informational forms be filled out by owners and residents identifying non-owner occupants, vehicles, phone numbers, etc. The Management Committee shall implement rules and procedures to gather information, and determine and track units qualifying under subsection (9.c) above and to ensure consistent administration and enforcement of these restrictions.

- e. The Owners of all Units must comply with the following provisions:
 - 1. Any lease or agreement for otherwise allowable non-owner occupancy must be in writing, must be for an initial term of at least twelve (12) months, and shall provide as a term of the agreement that the Resident shall comply with the Declaration, the By-laws, and the Rules, and that any failure to comply shall be a default under the lease or agreement. If a lease or agreement for non-owner occupancy (whether in writing or not) does not include these provisions, they shall nonetheless be deemed to be part of the lease or agreement and binding on the Owner and the Resident.
 - 2. If required in the Rules of the Association or requested by the Management Committee, a copy of any lease or other agreement for non-owner occupancy shall be delivered to the Association within the time period provided for in the Rules or by the Management Committee.
 - 3. A non-owner occupant may not occupy any Unit for transient, short-term (less than twelve months), hotel, resort, vacation, or seasonal use (whether for pay or not).
 - 4. Daily and weekly occupation by non-owner occupants is prohibited (whether for pay or not).
 - 5. The Owner(s) of a Unit shall be responsible for the Resident's or any Guest's compliance with the Declaration, By-laws, and Rules. In addition to any other remedy for non-compliance with this Declaration, the Association shall have the right to initiate a forcible entry and unlawful detainer action, or similar such action, with the purpose of removing the offending non-owner occupant. The Association, the Management Committee, and the Manager shall not have any liability for any action taken pursuant to this subparagraph and the Owner shall indemnify and pay the defense costs of the Association, the Management Committee, and the Manager arising from any claim related to any action taken in good faith by any of them pursuant to this subparagraph.
 - 6. If a Family Member occupies a Unit, then notwithstanding anything to the contrary herein,
 - a) Subsections e.1., e.3. and e.4. of this section (9) shall not apply to that occupancy.

- b) No written agreement regarding occupancy needs to be created between a family member and the Owner; and
 - c) Any written agreement regarding occupancy may not be requested by the Management Committee until an occupant has violated a provision of the Declaration, By-laws, or Rules and if requested, may be related to remedying or taking action as a result of such a violation.
10. Easements, Support, Maintenance and Repair. There is hereby RESERVED to the City and the Association, and the City and the Association are hereby GRANTED a non-exclusive easement over, across, through, above and under the Units and the Common Area for the operation, maintenance, and repair of the Common Area and Facilities, and regulation of the Design Guidelines. The City shall assume no responsibility for enforcement of the Design Guidelines, but reserves the right to and may enforce any Design Guideline at any time and in its sole discretion.
 11. Liability of Owners and Residents For Damages and Waste. Each Owner or Resident shall be liable to the Association, or other Owners or Residents, for damages to person or property and waste in the Community caused by his/her negligence.
 12. Encroachments. If any portion of Common Area, Limited Common Area, or a Unit, encroaches or comes to encroach upon other Common Area, Limited Common Area, or a Unit, as a result of construction, reconstruction, repair, shifting, settling, or movement, an easement for such encroachment is created hereby and shall exist so long as such encroachment exists.
 13. Management Committee. The Association shall be managed by a Management Committee.
 14. Officers and Agents. The Management Committee shall elect and/or appoint officers and agents of the Association, including without limitation a President, Secretary, and Treasurer. The Committee may at any time assign special Owner committees for the betterment of the community.
 15. Management Committee Meetings. The Management Committee shall meet at regular intervals and at least quarterly.
 16. Status and General Authority of Management Committee. Any instrument executed by the Management Committee that recites facts which, if true, would establish the Committee's power and authority to accomplish through such instrument what is purported to be accomplished thereby, shall conclusively establish said power and authority in favor of any person who in good faith and for value relies upon said instrument. The Association shall, in connection with its exercise of any of the powers delineated in subparagraphs (a) through (n) below, constitute a legal entity capable of dealing in its Committee name. The Management Committee shall have, and is hereby granted, the following authority and powers:

- a. Access. The right, power and authority to have access to each Unit: 1) from time-to-time during reasonable hours and after reasonable notice to the occupant of the Unit being entered, as may be necessary for the maintenance, repair or replacement of any of the Common Areas and Facilities or 2) for making emergency repairs necessary to prevent damage to the Common Areas and Facilities or to another Unit or Units, provided that a reasonable effort is made to provide notice to the occupant of the Unit prior to entry.
- b. Grant Easements. The authority, without the vote or consent of the Owners, Mortgagees, insurers or guarantors of any Mortgage, or of any other person, to grant or create, on such terms as it deems advisable, reasonable permits, licenses, and non-exclusive easements over, under, across, and through the Common Areas for utilities, roads, and other purposes reasonably necessary or useful for the proper maintenance, operation or regulation of the Project.
- c. Execute Documents. The authority to execute and record, on behalf of all Owners, any amendment to the Declaration or Condominium Plat which has been approved by the vote or consent necessary to authorize such amendment.
- d. Standing. The power to sue and be sued.
- e. Enter Into Contracts. The authority to enter into contracts, which in any way concern the Project, so long as any vote or consent necessitated by the subject matter of the agreement has been obtained.
- f. Transfer Interests in Real Property. The power and authority to exchange, convey or transfer any interest in real property, so long as it has been approved by at least seventy-five percent (75%) of the Association Members.
- g. Purchase Property. The power and authority to purchase, otherwise acquire, and accept title to, any interest in real property, so long as it has been approved by at least seventy-five percent (75%) of the Association Members.
- h. Add Property. The power and authority to add any real property, or interest therein, obtained pursuant to subparagraph (g) above to the Project, so long as it has been approved by at least seventy five percent (75%) of the Association Members.
- i. Borrow Money and Pledge Collateral. The power and authority to borrow money and pledge collateral so long as it has been approved by at least seventy-five percent (75%) of the Association Members.
- j. Promulgate Rules. The authority to promulgate such reasonable administrative guidelines, rules, regulations, policies and procedures as may be necessary or desirable to aid the Committee in carrying out any of its functions or to ensure that

the Project is maintained and used in a manner consistent with the Act and this Declaration.

- k. Meetings. The authority to establish procedures for the conduct of its meetings, including but not limited to the power to decide what portion of the meeting shall be open or closed to Owners or Residents not on the Committee, to retire to executive session, to regulate record keeping, and to allow, control or prohibit the electronic reproduction (video or audio) of Committee meetings.
 - l. Delegation of Authority. The power and authority to delegate its responsibilities over the management and control of the Common Areas and regulation of the Project to a professional manager, reserving the right, power and authority, however, to control and oversee the administration thereof.
 - m. Lease Office Space. The power and authority to lease a portion of the Common Area as an office provided the office be used as a business office for a Manager or other professional.
 - n. All other Acts. The power and authority to perform any and all other acts, and to enter into any other transactions which may be reasonably necessary for the Management Committee to perform its functions on behalf of the Owners.
17. Delegation of Management Responsibilities: The Management Committee may delegate some of its management responsibilities to a professional management company, an experienced on-site manager, an independent contractor, through service contracts, or any combination thereof. The Manager may be an employee or an independent contractor. The termination provision of any such contract must not require a termination penalty or any advance notice of any more than sixty (60) days, and no such contract or agreement shall be for a term greater than one (1) year. The Management Committee may also employ general laborers, grounds crew, maintenance, bookkeeping, administrative and clerical personnel as necessary to perform its management responsibilities. Provided, however, any management contract may be terminated for cause on thirty (30) days' notice in accordance with Title 38, Code of Federal Regulations, Section 36.4360a (t), as it may be amended from time to time.
18. Owners Meetings. The Association shall meet at least annually.
19. Lists of Owners, Renters, Eligible Mortgagees, Insurers and Guarantors. The Management Committee shall maintain up-to-date lists of the name, address and phone number of all Owners, Residents, Renters, Eligible Mortgagees, Insurers and Guarantors. The Owners, Mortgagees, Insurers and Guarantors have a duty to provide this information to the Committee.
20. Capital Improvements. All expenses for capital improvements shall be governed by and subject to the following conditions, limitations and restrictions:

- a. Committee Discretion, Expenditure Limit – Capital Improvement Ceiling. Any capital improvement to the Project which costs ten percent (10%) or less of the Total Annual Budget, and does not alter the nature of the Project, may be authorized alone by the Management Committee.
 - b. Owner Approval/Expenditure Limit. Any capital improvement, the cost of which will exceed the Capital Improvement Ceiling, must, prior to the commencement of construction, be authorized by at least a majority of the percentage of undivided ownership interest in the Common Area.
 - c. Owner Approval, Changing the Nature of the Project. Any capital improvement which would materially alter the nature of the Project (e.g., changing the roofing materials, the construction of the external Building surfaces, color scheme, etc.) must, regardless of its cost and prior to being constructed or accomplished, be authorized by at least sixty-seven percent (67%) of the undivided ownership interest in the Common Areas.
21. Operation, Maintenance and Alterations. Each Unit, the Limited Common Area, and Common Area and Facilities shall be maintained, repaired, and replaced in accordance with the following covenants, conditions and restrictions:
- a. Clean, Safe, Sanitary and Attractive Condition. The Units, Limited Common Area, and Common Area and Facilities shall be maintained in a usable, clean, functional, safe, sanitary, attractive and good condition, consistent with Community Standards.
 - b. Landscaping. All landscaping in the Project shall be maintained and cared for in a manner consistent with the standards of design and quality originally established by the developer and in accordance with any City landscaping maintenance plans or ordinances. Specific additional written guidelines, standards, controls, and restrictions on landscaping may be adopted or amended by the Management Committee from time to time. All landscaping shall be maintained in a safe, sanitary, aesthetic and orderly condition. Any weeds or diseased or dead lawn, trees, ground cover or shrubbery shall be removed and replaced. All lawn areas shall be neatly mowed and trees, shrubs and bushes shall be neatly trimmed. All landscaping shall be tasteful, so as not to affect adversely the value or use of any Unit, or to detract from the uniform design and appearance of the Project.
 - c. Area of Common Responsibility. Unless otherwise expressly noted, the Association shall maintain, repair and replace all of the Common Area and Facilities within or serving the Project, including by way of illustration but not limitation of the outdoor grounds, picnic tables, BBQ areas, private roads, driving lanes, parking amenities, sidewalks, entry and monument.
 - d. Area of Personal Responsibility. Each Owner shall maintain, repair and replace to his/her Unit, including without limitation, all individual services such as power, light, gas, hot and cold water, heating, refrigeration, air conditioning, fixtures, windows and

window systems, glass, doors and door systems, garage doors and garage door systems, balconies and decks, plumbing fixtures, systems and lateral pipes or valves servicing only his Unit, including any damage caused thereby and not covered by insurance. Each Unit Owner shall also maintain his Limited Common Area broom clean and free of debris. Each Unit Owner shall maintain, repair and replace all physical improvements to his Limited Common Area. All maintenance, repairs and replacements are subject to the approval of the Management Committee as to construction materials, quality of construction and installation, and uniformity of appearance. No Unit Owner shall allow his Unit or Limited Common Area to detract from the health, safety or uniform appearance or design of the Project.

- e. Default Provisions. If (except in the case of an emergency) after written notice and a hearing, it is determined that any responsible party has failed or refused to discharge properly his obligation with regard to the maintenance, repair, or replacement of the real property and improvements described herein, or that the need for maintenance, repair, or replacement thereof is caused through the willful or negligent act of any person, then the Association, or Management Committee may, but is not obligated to, provide such maintenance, repair, or replacement at the defaulting or responsible party's sole cost and expense (the "Default Maintenance Cost"). The Default Maintenance Cost is the debt of such defaulting or responsible party at the time the expense is paid and shall be collectible as such. In addition, it may be considered a "Fine" against a Unit Owner. A Fine assessed hereunder which remains unpaid after the time for appeal has expired becomes a lien against the Unit Owner's interest in the property in accordance with the same standards as a Hen for the nonpayment of Common Expenses under U.C.A., Section 57-8-20.
 - f. Alterations to the Common Area. No Owner or Resident may make any structural alterations to the Common Area (including the Limited Common Area) without the express prior written consent of the Management Committee.
 - g. Certain Work Prohibited. No Unit Owner shall do any work or make any alterations or changes which would jeopardize the soundness or safety of the Property, reduce its value or impair any easement or hereditament, without in every such case, the unanimous written consent of all the other Unit Owners being first had and obtained.
22. Common Expenses. Each Owner shall pay his Assessments subject to and in accordance with the procedures set forth below.
- a. Purpose of Common Area Expenses. The Assessments provided for herein shall be used for the general purpose of operating the Project, promoting the recreation, health, safety, welfare, common benefit and enjoyment of the Owners and residents, including the maintenance of any real and personal property owned by the Association, and regulating the Community, all as may be more specifically authorized from time to time by the Committee.

- b. Creation of Assessments. Since the Assessments shall pay for the common expenses of the Association, as shall be determined by the Management Committee from time to time, each Owner, by acceptance of a deed to a Unit, whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Association in a timely manner all Assessments assessed by the Committee.
- c. Budget. At least fifteen (15) days prior to the Annual Homeowners Meeting, the Management Committee shall prepare and deliver to the Owners a proposed Budget which:
 - 1) Itemization. Shall set forth an itemization of the anticipated Common Expenses for the twelve (12) month calendar year, commencing with the following January 1.
 - 2) Basis. Shall be based upon advance estimates of cash requirements by the Management Committee to provide for the payment of all estimated expenses growing out of or connected with the maintenance and operation of the Common Areas and regulation of the Association, which estimate shall include but is not limited to expenses of management, grounds maintenance, taxes and special assessments, premiums for all insurance which the Committee is required or permitted to maintain, common lighting and heating, water charges, trash collection, sewer service charges, carpeting, painting, repairs and maintenance of the Common Areas and replacement of those elements of the Common Areas that must be replaced on a periodic basis, wages for Management Committee employees, legal and accounting fees, any deficit remaining from a previous period, the creation of a reasonable contingency reserve, surplus or sinking fund, capital improvement reserve, and other expenses and liabilities which may be incurred by the Association for the benefit of the Owners under and by reason of this Declaration.
- d. Apportionment. The common profits and losses of the Project shall be distributed among Unit Owners and the common expenses shall be charged according to the percentage interests in Exhibit C.
- e. Approval of Budget and Assessments. The proposed Budget and the Assessments shall become effective unless disapproved at the Annual Meeting by a vote of at least a majority of the percentage of ownership interest in the Common Areas. Notwithstanding the foregoing, however, if the membership disapproves the proposed budget and Assessments or the Management Committee fails for any reason to establish the Budget and Assessments for the succeeding year, then and until such time as a new budget and new Common Area Assessment schedule shall have been established, the Budget and the Assessments in effect for the then current year shall continue for the succeeding year.
- f. Payment of Assessments. The Management Committee has the sole authority and discretion to determine how and when the annual Assessments are paid.

- g. Additional Services. The Management Committee may, but is not obligated to, add to the Assessment of any particular Unit or Unit Owner additional charges for individual services offered or provided, which is not a Common Expense.
- h. Personal Obligation of Owner. Owners are liable to pay all Assessments assessed. However, no first mortgagee or beneficiary under a first deed of trust (but not the Seller under a uniform real estate contract or other similar instrument), who obtains title to a Unit pursuant to the remedies provided in the mortgage or trust deed shall be liable for unpaid Assessments which accrued prior to the acquisition of title. For purposes of this Section, the term "Owner" shall mean and refer jointly and severally to: 1) the Owner of both the legal and equitable interest in any Unit 2) the owner of record in the offices of the County Recorder of Salt Lake County, Utah; and 3) both the Buyer and Seller under any executory sales contract or other similar instrument.
- i. Equitable Changes. If the aggregate of all monthly payments on all of the Units is too large or too small as a result of unanticipated income or expenses, the Committee may from time to time effect an equitable change in the amount of said payments, but, without the prior approval of a majority of the percentage of ownership interest in the Common Area, not greater than fifteen percent (15%) of the Common Area Assessment in any calendar year. Owners shall be given at least thirty (30) days written notice of any changes.
- j. Dates and Manner of Payments. The dates and manner of payment shall be determined by the Committee.
- k. Reserve Analysis and Fund. The Association shall obtain a Reserve Analysis and maintain a Reserve Fund for the maintenance, repair, and replacement of the Common Area and Limited Common Area as required by law.
- l. Acceleration. Assessments shall be paid in the manner and on dates fixed by the Committee who may, at its option and in its sole discretion, elect to accelerate the entire annual Common Area Assessment for delinquent Owners. If, however, the Common Area Assessment is accelerated and an Owner subsequently files bankruptcy or the Committee otherwise decides acceleration is not in its best interest, the Committee, at its option and in its sole discretion, may elect to decelerate the obligation.
- m. Statement of Assessments Due. Upon written request, the Committee shall furnish to any Owner a statement of Assessments due, if any, on his Unit. Failure to provide the certificate within ten (10) days after a written request is received by the Secretary shall be deemed conclusive evidence that all Assessments are paid current. The Association may require the advance payment of a processing charge not to exceed \$15.00 for the issuance of such certificate.

- n. Superiority of Assessments. All Assessments and liens created to secure the obligation to pay Assessments are superior to any homestead exemptions to which an Owner may be entitled, which insofar as it adversely affects the Association's lien for unpaid Assessments, each Owner by accepting a deed or other document of conveyance to a Unit, hereby waives.
 - o. Suspension of Right to Use Amenities for Non-Payment. At the discretion of the Management Committee, the right to use any amenities in the Project may be suspended for up to ninety (90) days if the Owner is in arrears on his obligation to pay Assessments and has failed to cure or make satisfactory arrangements to cure the default, after reasonable notice of at least ten (10) days.
 - p. Suspension of Right to Vote for Non-Payment. At the discretion of the Committee, the right of an Owner to vote on issues concerning the Association may be suspended for up to ninety (90) days if the Owner is delinquent in the payment of his Assessments, and has failed to cure or make satisfactory arrangements to cure the default after reasonable notice of at least ten (10) days.
 - q. Suspension of Right to Vote for Non-Payment. At the discretion of the Committee, the right of an Owner to vote on issues concerning the Association may be suspended for up to ninety (90) days if the Owner is delinquent in the payment of his Assessments, and has failed to cure or make satisfactory arrangements to cure the default after reasonable notice of at least ten (10) days.
23. Special Assessments. In addition to the other Assessments authorized herein, the Association may levy special assessments in any year, subject to the following:
- a. Committee Based Assessment. So long as the special assessment does not exceed the sum of Five Hundred and 00/100th Dollars (\$500.00) per Unit in any one fiscal year (the "Special Assessment Limit"), the Committee may impose the special assessment without any additional approval.
 - b. Association Approval. Any special assessment, which would exceed the Special Assessment Limit, shall be effective only if approved by a majority of the members of the Association. The Committee in its discretion may allow any special assessment to be paid in installments.
24. Benefit Assessments. If an Owner has the choice to accept or reject the benefit, then the Management Committee shall have the power and authority to assess an Owner in a particular area as follows:
- a. Benefit only To Specific Unit. If the expense benefits are less than all of the Units, then those Units benefitted may be specifically assessed, and the specific assessment shall be equitably apportioned among those Units according to the benefit received.

- b. Unequal or Disproportionate Benefit. If the expense benefits all Units, but does not provide an equal benefit to all Units, then all Units shall be specifically assessed, but the specific assessment shall be equitably apportioned among all Units according to the benefit received.
 - c. Failure of Committee to Exercise Authority. Failure of the Committee to exercise its authority under this Section shall not be grounds for any action against the Association or the Committee and shall not constitute a waiver of the Committee's right to exercise its authority under this Section in the future with respect to any expenses, including an expense for which the Committee has not previously exercised its authority under this Section.
25. Individual Assessments. Individual Assessments shall be levied by the Committee against a Unit and its Owner to reimburse the Association for: a) administrative costs and expenses incurred by the Committee in enforcing the Project Documents; b) costs associated with the maintenance, repair or replacement of Common Area for which the Unit Owner is responsible; c) any other fine, charge, fee, due, expense, or cost designated as an Individual Assessment in the Project Documents or by the Management Committee; d) attorneys' fees, interest, and other charges relating thereto as provided in this Declaration; and e) individual services provided, such as cable television, additional lawn, yard or garden care, the cost of insurance covering the deductible on the Master Association all-risk policy, and so forth.
26. Collection of Assessments. The Owners must pay their Assessments in a timely manner. Payments are due on the first (1st) day of the month. Payments are late if received after the tenth (10th) day of the month in which they were due.
- a. Delinquent Assessments. Any Assessment not paid when due shall be deemed delinquent and a lien securing the obligation shall automatically attach to the Unit, regardless of whether a written notice is recorded.
 - b. Late Fees and Accruing Interest. A late fee of twenty-five dollars (\$25.00) or five percent (5%) of the delinquent amount, whichever is greater, shall be assessed on all tardy payments. Default interest at the rate of one percent (1%) per month or twelve percent (12%) per annum shall accrue on all delinquent accounts.
 - c. Lien. If any Unit Owner fails or refuses to make any payment of any Assessment or his portion of the Common Expenses when due, that amount shall constitute a lien on the interest of the Owner in the Property, and upon the recording of notice of lien by the Manager, Management Committee or their designee, it is a lien upon the Owner's interest in the Property prior to all other liens and encumbrances, recorded or unrecorded, except: 1) tax and special assessment liens on the Unit in favor of any assessing unit or special improvement district; and 2) encumbrances on the interest of the Owner recorded prior to the date such notice is recorded, which by law would be a lien prior to subsequently recorded encumbrances.

- d. Foreclosure of Lien and/or Collection Action. If the Assessments remain unpaid, the Association may, as determined by the Committee, institute suit to collect the amounts due and/or to foreclose the lien.
- e. Personal Obligation. Each Owner, by acceptance of a deed or as a party to any other type of conveyance, vests in the Association or its agents, the right and power to bring all actions against him/her personally for the collection of the charges as a debt, or to foreclose the lien in the same manner as mechanics liens, mortgages, trust deeds or encumbrances may be foreclosed.
- f. No Waiver. No Owner may waive or otherwise exempt himself or herself from liability for the Assessments provided for herein, including but not limited to the non-use of Common Areas or the abandonment of his Unit.
- g. Duty to Pay Independent. No reduction or abatement of Assessments shall be claimed or allowed by reason of any alleged failure of the Association or Committee to take some action or perform some function required to be taken or performed by the Association or committee under this Declaration or the Bylaws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority, the obligation to pay Assessments being a separate and independent covenant on the part of each Owner.
- h. Application of Payments. All payments shall be applied as follows: Additional Charges, Delinquent Assessments and Current Assessments.
- i. Foreclosure of Lien as Mortgage or Trust Deed. The lien for nonpayment of Assessments may be enforced by sale or foreclosure of the Owner's interest therein by the Committee. The sale or foreclosure shall be conducted in the same manner as foreclosures in deeds of trust or mortgages or in any other manner permitted by law. In any foreclosure or sale, the Owner shall pay the costs and expenses of such proceedings, including but not limited to the cost of a foreclosure report, reasonable attorney's fees, and a reasonable rental for the Unit during the pendency of the foreclosure action. The Association in the foreclosure action may require the appointment of a receiver to collect the rental without regard to the value of the mortgage security. The Committee may bid for the Unit at foreclosure or other sale and hold, lease, mortgage, or convey the same.
- j. Appointment of Trustee. If the Committee elects to foreclose the lien in the same manner as foreclosures in deeds of trust, then the Owner by accepting a deed to the Unit hereby irrevocably appoints the attorney of the Association, provided they are a member of the Utah State Bar, as Trustee, and hereby confers upon said Trustee the power of sale set forth with particularity in Utah Code Annotated, Section 57-1-23 (1953), as amended. In addition, Owner hereby transfers in trust to said Trustee all of

his right, title and interest in and to the real property, for securing his performance of the obligations set forth herein.

- k. Attorney in Fact. Each Owner by accepting a deed to a Unit hereby irrevocably appoints the Association as his/her attorney-in-fact to collect rent from any person renting his/her Unit, if the Unit is rented and Owner is delinquent in his Assessments. Rent due shall be paid directly to the Association, upon written demand, until such time as the Owner's Assessments are current; and the Owner shall credit the Renter, against rent due, for the amount of money paid to the Association.
 - l. Termination of Right to Use Amenities for Non-Payment of Assessments.
 - 1. If an owner fails or refuses to pay any assessment when due, the Management Committee may, after complying with any legal requirements terminate the owner's right of access and use of Common Area facilities, after giving notice and an opportunity to be heard.
 - m. Assignment of Rents.
 - 1. If the owner of a unit who is leasing the unit fails to pay any assessment for a period of more than sixty (60) days after it is due and payable, the Management Committee may require the tenant to pay to the Association all future lease payments due to the owner as allowed by law.
 - n. Lenders, Foreclosures and Unpaid Assessments. Anything to the contrary notwithstanding, any first mortgagee who obtains title to a Unit pursuant to the remedies in the mortgage or trust deed or through foreclosure will not be liable for more than six (6) months of the unpaid regularly budgeted assessments, dues or charges accrued before acquisition of the title to the property by the mortgage, although the first mortgagee will also be liable for any reasonable attorneys' fees or costs related to the collection of the unpaid dues. All other grantees who obtain title to a Unit in a voluntary conveyance or pursuant to the remedies in a mortgage or trust deed or through foreclosure shall be jointly and severally liable with the trustor or mortgagor for all unpaid assessments, late fees, default interest and collection costs, including a reasonable attorneys' fee, against the Unit for its share of the Common Expenses up to the time of the grant or conveyance, without prejudice to the grantee's rights to recover from the trustor or mortgagor the amounts paid by the grantee.
27. Liability of Management Committee. The Association shall indemnify every officer and member of the Committee against any and all expenses, including but not limited to attorneys' fees reasonably incurred by or imposed upon any officer or member of the Committee in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Committee) to which he or she may be a party by reason of being or having been an officer or member of the Committee. The officers and members of the Committee shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance,

misconduct or bad faith. The officers and members of the Committee shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or members of the Committee may also be Members of the Association), and the Association shall indemnify and forever hold each such officer and member of the Committee free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall be exclusive of any other rights to which any officer or member of the Committee, or former officer or member of the Committee, may be entitled. The Association shall, as a common expense, maintain adequate general liability and Officer's and Director's insurance coverage to fund this obligation, if such insurance is reasonably available.

28. Insurance.

- a. Requirements. The Association shall obtain insurance as required in this Declaration and as required by applicable law. The Association may obtain insurance that provides more or additional coverage than the insurance required in this Declaration. Different policies may be obtained from different insurance carriers and standalone policies may be purchased instead of or in addition to embedded, included coverage, or endorsements to other policies.
- b. Annual Insurance Report. Not later than sixty (60) days prior to the annual meeting of the Association, the Management Committee shall obtain a written report by an independent and experienced insurance broker, agent, or consultant (who may be the insurance provider/agent/broker used by the Association), with specific knowledge and experience in community association insurance industry, setting forth: 1) a summary description of the insurance coverage obtained by the Association, including the dollar amounts of any such coverage, and any material exceptions, exclusions, and limitations on such coverage 2) whether, in the opinion of such broker or consultant, the insurance coverage in effect for the Association complies with the requirements of this Declaration and the law 3) a description of any earthquake insurance and material exclusions and limitations for that coverage and if no earthquake insurance is obtained, a conspicuous clear statement in both bold and uppercase letters stating: "NO EARTHQUAKE INSURANCE HAS BEEN OBTAINED BY THE ASSOCIATION," and 4) a description of any flood insurance and material exclusions and limitations for that coverage and if no flood insurance is obtained, a conspicuous clear statement in both bold and uppercase letters stating: "NO FLOOD INSURANCE HAS BEEN OBTAINED BY THE ASSOCIATION." The report shall also set forth any recommendations or suggestions from the insurance professional regarding current policy provisions, deductibles, exceptions, exclusions, and for additional insurance suggested or recommended for the protection of the Owners in light of the insurance then available and the best practices with respect to other similar projects. The most recent annual insurance report shall be distributed to the Owners at or before the annual meeting of the Association and shall be provided to any Owner at any other time upon request. If the report is distributed

to Owners at the annual meeting, a copy shall also be mailed to Owners not personally in attendance within thirty (30) days of the meeting.

c. Property Insurance.

1. Hazard Insurance. The Association shall maintain a blanket policy of property insurance covering the entire Project, including the Common Areas and Units, outside Building-detached garages, fixtures, and building service equipment.
 - a. The blanket policy shall exclude land and other items not normally and reasonably covered by such policies. The blanket policy shall be an "all in" or "all inclusive" insurance, as those terms are used in the insurance industry and shall include insurance for any fixture, improvement, or betterment installed in or to the Unit, outside Building-detached garages, or any Limited Common Areas or otherwise permanently part of or affixed to Common Areas, Units, or Limited Common Areas, including but not limited to floor coverings, cabinets, light fixtures, electrical fixtures, heating and plumbing fixtures, paint, wall coverings, windows.
 - b. At a minimum, the blanket policy shall afford protection against loss or damage by: 1) fire, windstorm, hail, riot, aircraft, vehicles, vandalism, smoke, and theft and 2) all perils normally covered by "special form" property coverage.
 - c. The blanket policy shall be in an amount not less than one hundred percent (100%) of current replacement cost of all property covered by such policy (including the Units and garages) at the time the insurance is purchased and at each renewal date. The actual replacement cost of the property shall be determined by using methods generally accepted in the insurance industry.
 - d. The blanket policy shall include either of the following endorsements to assure full insurable value replacement cost coverage: 1) a Guaranteed Replacement Cost Endorsement under which the insurer agrees to replace the insurable property regardless of the cost or 2) a Replacement Cost Endorsement under which the insurer agrees to pay up to one hundred percent (100%) of the Property's insurable replacement cost but not more. If the policy includes a coinsurance clause, it must include an Agreed Amount Endorsement, which must waive or eliminate the requirement for coinsurance.
 - e. Each property policy that the Association is required to maintain shall also contain or provide for the following: 1) "Inflation Guard Endorsement," if available "Building Ordinance or Law Endorsement," (the endorsement must provide for contingent liability from the operation of building laws, demolition costs, and increased costs of reconstruction) and 3) "Equipment Breakdown," if the project has central heating or cooling or other equipment or other applicable fixtures, equipment, or installations, which shall provide

that the insurer's minimum liability per accident at least equals the lesser of two million dollars (\$2,000,000) or the insurable value of the building containing the equipment.

2. Owner Responsibility for Payment of Deductible. If a loss occurs that is covered by a property insurance policy in the name of the Association and another property insurance policy in the name of an Owner:
 - a. the Association's policy provides primary insurance coverage;
 - b. notwithstanding Subsection (a) above, and subject to Subsection (c) below:
 1. the Owner is responsible for the Association's policy deductible and
 2. the Owner's policy, if any, applies to that portion of the loss attributable to the Association's policy deductible;
 - c. An Owner that has suffered damage to any combination of a Unit or a Limited Common Area appurtenant to a Unit ("Unit Damage") as part of a loss resulting from a single event or occurrence that is covered by the Association's property insurance policy ("a Covered Loss"), is responsible for an amount calculated by applying the percentage of total damage resulting in a Covered Loss that is attributable to Unit Damage ("Unit Damage Percentage") for that Unit to the amount of the deductible under the Association's property insurance policy and
 - d. If an Owner does not pay the amount required under Subsection (2) above within thirty (30) days after substantial completion of the repairs to, as applicable, the Unit or the Limited Common Area appurtenant to the Unit, the Association may levy an assessment against the Owner for that amount.
3. Flood Insurance. If any part of the Project is or comes to be situated in a Special Flood Hazard Area as designated on a Flood Insurance Rate Map, a policy of flood insurance shall be maintained covering the Project or, at a minimum, that portion of the Project located within the Special Flood Hazard Area. That policy shall cover any machinery and equipment that are not part of a building and all Common Area within the Project ("Insurable Property") in an amount deemed appropriate, but not less than the lesser of: a) the maximum limit of coverage available under the National Flood Insurance Program for the Insurable Property within any portion of the Project located within a designated flood hazard areas or b) one hundred percent (100%) of the insurable value of the Insurable Property. If the Project is not situated in a Special Flood Hazard Area, the Association may nonetheless, in the discretion of the Management Committee, purchase flood insurance to cover water and flooding perils not otherwise covered by blanket property insurance.

4. Earthquake Insurance. The Association may purchase earthquake insurance as the Management Committee deems appropriate. If the Management Committee elects not to purchase earthquake insurance, a vote of the Owners present at the annual meeting, with a proper quorum, shall be required to confirm this decision. If the Owners at the annual meeting do not confirm the decision to not purchase earthquake insurance, the Management Committee shall purchase earthquake insurance within sixty (60) days of the vote.
 5. Association's Obligation to Segregate Property Insurance Deductible. The Association shall keep in a segregated bank account an amount equal to the Association's property insurance policy deductible or \$10,000, whichever is less. This requirement shall not apply to any earthquake or flood insurance deductible.
 6. Association's Right to Not Tender Claims that are Under the Deductible. If, in the exercise of its business judgment, the Management Committee determines that a claim is likely not to exceed the Association's property insurance policy deductible: a) the Owner's policy is considered the policy for primary coverage to the amount of the Association's policy deductible; b) an Owner who does not have a policy to cover the Association's property insurance policy deductible is responsible for the loss to the amount of the Association's policy deductible; and c) the Association need not tender the claim to the Association's insurer.
 7. Notice Requirement for Deductible. The Association shall provide notice to each Owner of the Owner's obligation under subsection (2) above for the Association's policy deductible, and of any change in the amount of the deductible. If the Association fails to provide notice of the initial deductible, it shall be responsible for the entire deductible in case of any loss. If the Association fails to provide notice of any increase in the deductible, it shall be responsible for paying any increased amount that would otherwise have been assessed to the Owner. The failure to provide notice shall not invalidate or affect any other provision in this Declaration.
- d. Comprehensive General Liability (CGL) Insurance. The Association shall obtain CGL insurance insuring the Association, the agents and employees of the Association, and the Owners, against liability incident to the use, ownership or maintenance of the Common Area or membership in the Association. The coverage limits under such policy shall not be less than two million dollars (\$2,000,000.00) covering all claims for death of or injury to any one person or property damage in any single occurrence. Such insurance shall contain a Severability of Interest Endorsement or equivalent coverage, which would preclude the insurer from denying the claim of an Owner because of the negligent acts of the Association or another Owner.
 - e. Director's and Officer's Insurance. The Association shall obtain Directors' and Officers' liability insurance protecting the Management Committee, the officers, and the Association against claims of wrongful acts, mismanagement, failure to maintain

adequate reserves, failure to maintain books and records, failure to enforce the Governing Documents, and breach of contract (if available). This policy shall: a) include coverage for volunteers and employees, b) include coverage for monetary and non-monetary claims, c) provide for the coverage of claims made under any fair housing act or similar statute or that are based on any form of discrimination or civil rights claims, and d) provide coverage for defamation. In the discretion of the Management Committee, the policy may also include coverage for any Manager and any employees of the Manager and may provide that such coverage is secondary to any other policy that covers the Manager or any employees of the Manager.

- f. Insurance Coverage for Theft and Embezzlement of Association Funds. The Association shall obtain insurance covering the theft or embezzlement of funds that shall: a) provide coverage for an amount of not less than the sum of three months' regular assessments in addition to the prior calendar year's highest monthly balance on all operating and reserve funds, and b) provide coverage for theft or embezzlement of funds by: 1) Officers and Management Committee members of the Association, 2) employees and volunteers of the Association, 3) any manager of the Association, and 4) officers, directors, and employees of any Manager of the Association.
- g. Workers' Compensation Insurance. The Management Committee shall purchase and maintain in effect workers' compensation insurance for all employees of the Association to the extent that such insurance is required by law and as the Management Committee deems appropriate.
- h. Certificates. Any insurer that has issued an insurance policy to the Association shall issue a certificate of insurance to the Association and upon written request, to any Owner or Lender.
- i. Named Insured. The named insured under any policy of insurance shall be the Association. Each Owner shall also be an insured under all property and CGL insurance policies.
- j. Insurance Proceeds. Insurance proceeds for a loss under the Association's property insurance policy are payable to an Insurance Trustee if one is designated, or to the Association, and shall not be payable to an Owner.
- k. Association Shall have Right to Negotiate All Claims and Losses and Receive Proceeds. Insurance proceeds for a loss under the Association's property insurance policy are payable to an Insurance Trustee if one is designated, or to the Association, and shall not be payable to a holder of a security interest. An Insurance Trustee, if any is appointed, or the Association shall hold any insurance proceeds in trust for the Association, Owners, and lien holders. Insurance proceeds shall be disbursed a) first for the repair or restoration of the damaged property, if the property is to be repaired and restored as provided for in this Declaration. b) After any repair or restoration is complete and if the damaged property has been completely repaired or restored, any

remaining proceeds shall be paid to the Association. c) If the property is not to be repaired or restored, then any remaining proceeds after such action as is necessary related to the property has been paid for, shall be distributed to the Owners and lien holders, as their interests remain with regard to the Units. Each Owner hereby appoints the Association, or any Insurance Trustee, as attorney-in-fact for the purpose of negotiating all losses related thereto, including the collection, receipt of, and appropriate disposition of all insurance proceeds; the execution of releases of liability; and the execution of all documents and the performance of all other acts necessary to administer such insurance and any claim. This power-of-attorney is coupled with an interest, shall be irrevocable, and shall be binding on any heirs, personal representatives, successors, or assigns of an Owner.

- l. Insurance Trustee. In the discretion of the Management Committee or upon written request executed by Owners holding at least fifty percent (50%) of the Ownership interest of the Association, the Management Committee shall hire and appoint an insurance trustee ("Insurance Trustee"), with whom the Association shall enter into an insurance trust agreement, for the purpose of exercising such rights under this paragraph as the Owners or Management Committee (as the case may be) shall require.
 - m. Owner Act Cannot Void Coverage Under Any Policy. Unless an Owner is acting within the scope of the Owner's authority on behalf of the Association and under direct authorization of the Association, an Owner's act or omission may not void an insurance policy or be a condition to recovery under a policy.
 - n. Waiver of Subrogation against Owners and Association. All property and CGL policies must contain a waiver of subrogation by the insurer as to any claims against the Association and the Owners and their respective agents and employees.
 - o. Applicable Law. This Declaration is specifically subjecting the Association to the insurance requirements and provisions in Utah 2011 Senate Bill 167 (the final version as enacted by the legislature) that became law in 2011, and any amendments thereto and thereafter enacted by law. It is the intent of this provision that any future changes to the insurance law applicable to condominium associations shall apply to this Association.
29. Destruction, Condemnation, and Obsolescence. The following provisions shall apply with respect to the destruction, condemnation, or obsolescence of the Project.
- a. Definitions. Each of the following terms shall have the meaning indicated:
 - 1. "Substantial Destruction" shall exist whenever, as a result of any damage or destruction to the Project or any part thereof, the excess of the estimated cost of restoration over the funds available is twenty-five percent (25%) percent or more of the estimated restored value of the Project.

2. "Partial Destruction" shall mean any other damage or destruction to the Project or any part thereof.
 3. "Substantial Condemnation" shall exist whenever a complete taking of the Project or a taking of part of the Project has occurred under eminent domain or by grant or conveyance in lieu of condemnation, and the excess of the estimated cost of restoration over the funds available is twenty-five percent (25%) or more of the estimated restored value of the Project.
 4. "Partial Condemnation" shall mean any other such taking by eminent domain or grant or conveyance in lieu thereof.
 5. "Substantial Obsolescence" shall exist whenever the Project or any part thereof has reached such a state of obsolescence or disrepair that the excess of the estimated cost of restoration over the funds available is twenty-five percent (25%) or more of the estimated restored value of the Project.
 6. "Partial Obsolescence" shall mean any state of obsolescence or disrepair which does not constitute Substantial Obsolescence.
 7. "Restored Value of the Project" shall mean the fair market value of the Project after Restoration as determined by an MAI appraiser or other qualified appraisal.
 8. "Estimated Cost of Restoration" shall mean the estimated costs of restoring the Project to its former condition.
 9. "Available Funds" shall mean any proceeds of insurance, condemnation awards, payments in lieu of condemnation, and any uncommitted funds of the Management Committee or Association. Available Funds shall not include that portion of insurance proceeds legally required to be paid to any party other than the Association, including a mortgagee, or that portion of any condemnation award or payment in lieu of condemnation payable to the Owner or Mortgagee for the condemnation or taking of the Unit in which they have interest.
- b. Determination by Committee. Upon the occurrence of any damage or destruction to the Project or any part thereof, or upon a complete or partial taking of the Project under eminent domain or by grant or conveyance in lieu thereof, the Committee shall make a determination as to whether the excess of Estimated Costs of Restoration over Available Funds is twenty-five percent (25%) or more of the estimated Restored Value of the Project. In addition, the Committee shall, from time to time, review the condition of the Project to determine whether Substantial Obsolescence exists. In making such determinations, the Committee may retain and rely upon one or more qualified appraisers or other professionals.
- c. Restoration of the Project. Restoration of the Project shall be undertaken by the Committee promptly without a vote of the Owners in the event of Partial Destruction,

Partial Condemnation, or Partial Obsolescence and shall also be undertaken in the event of Substantial Destruction, Substantial Condemnation, or Substantial Obsolescence unless the failure to make Restoration is consented to by Owners collectively holding at least sixty-seven percent (67%) of the Project's undivided Ownership interest, and is further consented to by Eligible Mortgagees holding Mortgages on Units, which have appurtenant to at least fifty-one percent (51%) of the undivided Ownership interest in the Common Areas and Facilities which is then subject to Mortgages held by Eligible Mortgagees.

- d. Notices of Destruction or Obsolescence. Within thirty (30) days after the Management Committee has determined that Substantial Destruction, Substantial Condemnation, or Substantial Obsolescence exists, 1) the Management Committee shall send to each Owner and Eligible Mortgagee a written description of the destruction, condemnation, or state of obsolescence involved, 2) shall take appropriate steps to ascertain the preferences of the Eligible Mortgagees concerning Restoration, and 3) shall, with or without a meeting of the Owners (but in any event in accordance with the applicable provisions of this Declaration), take appropriate steps to determine the preferences of the Owners regarding Restoration.
- e. Excess Insurance. In the event insurance proceeds, condemnation awards, or payments in lieu of condemnation actually received by the Committee or Association exceed the cost of Restoration when Restoration is undertaken, the excess shall be paid and distributed to the Owners in proportion to their respective undivided interests in the Common Areas. Payment to any Owner whose Unit is the subject of a Mortgage shall be made jointly to such Owner and the interested Mortgagee.
- f. Inadequate Insurance. If the cost of Restoration exceeds Available Funds, the Management Committee may elect to make a special assessment in accordance with Article III Section 21.b above, to pay for the deficiency.
- g. Reallocation in Event of Partial Restoration. In the event that all or any portion of one or more Units will not be the subject of Restoration (even though the Project will continue as a condominium project) or is taken in a condemnation proceeding or pursuant to any agreement in lieu thereof, the undivided Ownership interest in the Common Areas and Facilities shall be immediately reallocated to the remaining Units.
- h. Sale of Project. Unless Restoration is accomplished as set forth above, the Project shall be sold in the event of Substantial Destruction, Substantial Condemnation, or Substantial Obsolescence. In the event of such sale, condominium Ownership under this Declaration and the Condominium Plat shall terminate and the proceeds of sale and any Available Funds shall be distributed by the Committee to the Owners, in proportion to their respective undivided interests in the Common Areas. Payment to any Owner whose Unit is then the subject of a Mortgage shall be made jointly to such Owner and the interested Mortgagee.

- i. Authority of Committee to Represent Owners in Condemnation or to Restore or Sell. The Committee, as attorney-in-fact for each Owner, shall represent all of the Owners and the Association in any condemnation proceeding or in negotiations, settlements, and agreements with the condemning authority for the acquisition of all or any part of the Common Areas and Facilities.
- j. Settlement Proceeds. The award in any condemnation proceeding and the proceeds of any settlement related thereto shall be payable to the Association for the use and benefit of the Owners and their mortgagees as their interests may appear.
- k. Registration Power. The Committee, as attorney-in-fact for each Owner, shall have and is hereby granted full power and authority to restore or to sell the Project and each Unit therein whenever Restoration or sale, as the case may be, is undertaken as hereinabove provided.
- l. Right of Entry. Such authority shall include the right and power to enter into any contracts, deeds or other instruments which may be necessary or appropriate for Restoration or sale, as the case may be.
- m. Termination of Legal Status. Any action to terminate the legal status of the Project after Substantial Destruction or Condemnation occurs shall be agreed to by Unit Owners who represent at least sixty-seven percent (67%) of the total allocated votes in the Association and by Eligible Mortgage holders who represent at least fifty-one percent (51%) of the votes of the Units that are subject to mortgages held by eligible holders.

The termination of the legal status of the Project for reasons other than Substantial Destruction or Condemnation of the property shall be agreed to by Eligible Mortgage holders that represent at least sixty-seven percent (67%) of the votes of the mortgaged Units. However, implied approval may be assumed when an Eligible Mortgage holder (except, where appropriate, the Federal Housing Administration of the United States Department of Housing and Urban Development (FHA), the Federal Home Loan Mortgage Corporation or the Mortgage Corporation (FHA-MC), Federal National Mortgage Association (FNMA), Government National Mortgage Association (GNMA) or the Department of Veterans Affairs (VA)) fails to submit a response to any written proposal for an amendment within thirty (30) days after it receives proper notice of the proposal, provided the notice was delivered by certified or registered mail, with a "return receipt" requested.

30. Consent in Lieu of Vote. In any case, in which this Declaration requires the vote of an Owner for authorization or approval of an act or a transaction, such requirement may be fully satisfied by obtaining, with or without a meeting, consents in writing to such transaction from Owners who collectively hold the required percentages, subject to the following conditions:
 - a. Sixty-Day Limit. All necessary consents must be obtained prior to the expiration of sixty (60) days from the time the first written consent is obtained; and

- b. Change In Ownership. Any change in Ownership of a Unit which occurs after consent has been obtained from the Owner having an interest therein shall not be considered or taken into account for any purpose; and
 - c. Notice. If approved, written notice of the approval must be given to all Unit Owners at least ten (10) days before any action is required by them.
31. Mortgagee Protection. Nothing herein contained, and no violation of these covenants, conditions and restrictions, shall invalidate or impair the lien of any mortgage or deed of trust, given in good faith and for value. Mortgagees are excluded from any leasing or rental restrictions when obtaining or after obtaining a Unit in foreclosure. The lien or claim against a Unit for unpaid Assessments levied by the Management Committee or by the Association pursuant to this Declaration, shall be subordinate to any Mortgage recorded on or before the date such Assessments become due. In addition:
- a. Effects of Voluntary and Involuntary Sale. The lien or claim against a Unit for such unpaid Assessments shall not be affected by any sale or transfer of such Unit, except that a sale or transfer pursuant to a foreclosure of the Mortgage affecting such Unit or the exercise of a power-of-sale available thereunder shall extinguish any debt payable prior to such sale or transfer. Nevertheless, any such unpaid Assessments which are extinguished in accordance with the foreclosure or power-of-sale shall not relieve the purchaser or transferee of such Unit from liability for, nor such Unit, the lien of any Assessments becoming due thereafter.
 - b. Books and Records Available for Inspection. The Committee or the Association shall make available to the Owners, to Mortgagees, and lenders, and to holders, insurers, or guarantors of any Mortgage current copies of the Declaration, By-laws, and administrative rules and regulations concerning the Project, as well as the books, records, and financial statements of the Committee and the Association. The term "available," as used in this paragraph, shall mean available for reasonable inspection upon request during normal business hours or under other reasonable circumstances. The Association shall have the right to recover its photocopying and service charges incurred in making the inspection and photocopying available.
 - c. Right to Financial Statement. The holder, insurer or guarantor of any Mortgage shall be entitled, upon written request, to a financial statement for the immediately preceding fiscal year. Any financial statement requested pursuant hereto shall be furnished to the requesting party within a reasonable time following such request.
 - d. Management Contracts. Any agreement for professional management of the Project, and any contract for goods or services, or any lease which is entered into by the Management Committee shall provide, or be deemed to provide hereby, that:
 - 1) Either party may terminate the contract with cause upon at least thirty (30) days prior written notice to the other party; and

- 2) No contract may be for an initial term greater than one (1) year.
- e. Eligible Mortgagee Designation. Upon written request to the Committee or the Association by the holder, insurer, or guarantor of a Mortgage (which request identifies the name and address of such holder, insurer or guarantor and the Unit number or address of the property encumbered by the Mortgage held or insured by such holder, insurer, or guarantor), such holder insurer, or guarantor shall be deemed thereafter to be an "Eligible Mortgagee" or "Eligible Insurer" or "Eligible Guarantor," as the case may be, shall be included on the appropriate lists maintained by the Association, and shall be entitled to timely written notice of any of the following:
- 1) Condemnation Loss or Award. Any condemnation loss or any casualty loss which affects a material portion of the Project or any Unit on which there is a Mortgage held, insured, or guaranteed by such Eligible Insurer or Guarantor.
 - 2) Delinquency. Any delinquency in the payment of Assessments owed by an Owner of a Unit subject to a Mortgage held, insured or guaranteed by such Eligible Insurer or Guarantor, which delinquency remains uncured for a period of sixty (60) days.
 - 3) Lapse of Insurance. Any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Committee or the Association.
 - 4) Consent Required. Any proposed action which would require the consent of a specified percentage of Eligible Mortgagees.
- f. Approval of Proposed Action or Transaction. Any Mortgagee who receives, by certified or registered mail, a written request, with a return receipt requested, by the Management Committee to approve any act, transaction or amendment to the Declaration, and who does not return a negative response within thirty (30) days shall be deemed to have approved such request.

32. Amendment.

- a. General. Except as provided elsewhere in this Declaration, including by way of illustration, but not limitation to, sections pertaining to the annexation or withdrawal of land, any amendment to this Declaration shall require the affirmative written vote or consent of at least sixty-seven percent (67%) of the Total Votes of the Association cast either in person or by proxy at a meeting duly called for such purpose, or otherwise approved in writing by such Owners without a meeting. Any amendment authorized pursuant to this Section shall be accomplished through the recordation in the Office of the County Recorder of an instrument executed by the Association. In such instrument, an officer or delegate of the Association shall certify that the vote required by this Section for amendment has occurred.

- b. Consent of Eligible Mortgagee. The consent of Eligible Mortgagees holding at least sixty seven percent (67%) of the undivided ownership interest of the Owners in the Tract and in the Common Area and Facilities, shall be required to an amendment which would terminate the legal status of the Tract; and the consent of Eligible Mortgagees holding at least fifty-one percent (51%) of the undivided ownership interest of the Owners in the Tract and in the Common Area and Facilities, shall be required to add to or amend any material provision of this Declaration or the Plat Map which establishes, provides for, governs, or regulates any of the following, which are considered as "material":
- 1) Voting rights.
 - 2) Increases in assessments that raise the previously assessed amount by more than twenty-five percent (25%), assessment liens, or the priority of assessment liens.
 - 3) Reduction in reserves for maintenance, repair, and replacement of the Common Area and Facilities.
 - 4) Responsibility for maintenance and repairs.
 - 5) Reallocation of interests in the Common Area and Facilities, or rights to their use.
 - 6) Redefinition of any Unit boundaries.
 - 7) Convertibility of Units into Common Area and Facilities or vice versa.
 - 8) Expansion or contraction of the Tract, or the addition, annexation, or withdrawal of property to or from the Tract.
 - 9) Hazard or fidelity insurance requirements.
 - 10) Imposition of any restrictions on the leasing of Units.
 - 11) Imposition of any restrictions on an Owner's right to sell or transfer his/her Unit.
 - 12) A decision by the Association to establish self-management if professional management had been required previously by the Project Documents or by an Eligible Mortgage holder.
 - 13) Restoration or repair of the Tract (after damage or partial condemnation) in a manner other than that specified in the documents.
 - 14) Any provisions that expressly benefit mortgage holders, insurers or Guarantors.
 - 15) Any provisions required by the Utah State Department of Real Estate (or similar agency), FHA, VA, the FHLMC or FNMA, any other federal, state or local

governmental agency or a federally chartered lending institution, which in all respects shall govern and control.

- c. Material Amendment. Any addition or amendment shall not be considered material for purposes of this Section if it is for the clarification only or to correct a clerical error.
 - d. Notice to Eligible Mortgagee. Notice of any proposed amendment to any Eligible Mortgagee to whom a written request to approve an addition or amendment to this Declaration or the Plat Map is required, shall be mailed postage prepaid to the address for such Mortgagee shown on the list maintained by the Association. Any Eligible Mortgagee who does not deliver to the Management Committee or the Association a negative response to the notice of the proposed amendment within thirty (30) days from the date of such mailing shall be deemed to have approved the proposal. The foregoing consent requirements shall not be applicable to amendments to this Declaration and the Plat Map or the termination of the legal status of the Project as a planned residential development if such amendments or such termination are made or accomplished in accordance with the provisions of this Declaration regarding Condemnation or Substantial Obsolescence.
33. Due Process. In the event of a claimed violation of the Project Documents or the Act, no citation or suspension shall be imposed without the Management Committee first giving the alleged violator written notice of the violation and an opportunity to be heard by the Management Committee; provided, however, nothing herein shall be construed to prevent the Management Committee from a) immobilizing, towing or impounding a motor vehicle in violation of the parking rules and regulations for which no additional notice is required, or b) making any emergency repairs or taking any other emergency action it deems necessary and subsequently providing notice to the Unit Owner, Guest or Permittee, and, subsequently, giving said person an opportunity to be heard.
34. Separate Taxation. Each Unit and its percentage of undivided interest in the Common Areas and Facilities shall be considered to be a parcel and shall be subject to separate assessment and taxation by each assessing unit and special district for all types of taxes authorized by law, including ad valorem levies and special assessments. Neither the Building, parking lot, property nor any of the Common Areas and Facilities may be considered a parcel for tax purposes.
35. Interpretation. To the extent Utah law is consistent with this Declaration, such provisions shall supplement the terms hereof and are incorporated herein. The captions which precede the Articles and Sections of this Declaration are for convenience only and shall in no way affect the manner in which any provision hereof is construed. Whenever the context so requires, the singular shall include the plural, the plural shall include the singular, the whole shall include any part thereof, and any gender shall include both genders. The invalidity or unenforceability of any portion of this Declaration shall not affect the validity or enforceability of the remainder hereof.

36. Covenants to Run with Land. This Declaration and all the provisions hereof shall constitute covenants to run with the land or equitable servitudes, as the case may be, and shall be binding upon and shall inure to the benefit of the Association, all other signatories hereto, all parties who hereafter acquire any interest in a Unit or in the Project, and their respective grantees, transferees, heirs, devisees, personal representative, successors, and assigns. Each Owner or occupant of a Unit shall comply with, and all interests in all Units shall be subject to, the terms of this Declaration and the provisions of any rules, regulations, agreements, instruments, supplements, amendments, and determinations contemplated by this Declaration. By acquiring any interest in a Unit in the Project, the party acquiring such interest consents to, and agrees to be bound by, each and every provision of this Declaration.
37. Enforcement and Right to Recover Attorney Fees. Should the Association or Committee be required to take action to enforce the Declaration, By-laws or any administrative rules and regulations adopted from time to time or to pursue any remedy provided hereunder or by applicable law, whether such remedy is pursued by filing suit or otherwise, they may recover Additional Charges, including a reasonable attorney's fee, which may arise or accrue.
38. Agent for Service of Process. The President of the Association is the person to receive service of process in the cases authorized by the Act and the office.
39. Combination of Units. An owner of two or more adjoining units shall have the right, upon approval of the Management Committee and the Mortgagees of said units, to combine one or more adjoining units or portions thereof and to alter or amend the Declaration and Map to reflect such combination.
- a. Such amendments may be accomplished by the unit owner recording an amendment or amendments to this declaration, together with an amended Map containing the same information with respect to the altered Units as required in the initial Declaration and Map with respect to the initial Units. All costs and expenses required in such amendments shall be borne by the unit owner desiring such combination.
 - b. All such amendments to the Declaration and Map must be approved by attorneys employed by the Management Committee to insure the continuing legality of the Declaration and Map. The cost of such review by the attorneys shall be borne by the person wishing to combine the units.
 - c. Any amendments of the Declaration or Map pursuant to this paragraph (39.) shall reflect the changes occasioned by the alteration. Such changes shall include a change in the percentage of undivided interest in the common areas and facilities which are appurtenant to the Units involved in the alterations. The remaining combined Unit, if two or more Units are totally combined, will acquire the total of the percentage of undivided interest in the Common Areas and Facilities appurtenant to the Units that are combined as set forth in Exhibit "C." If a portion of one Unit is combined with another, the resulting Units shall acquire a proportionate percentage of the total

undivided interest in the Common Areas and Facilities of the Units involved in the combination, on the basis of area remaining in the respective, combined Units. The percentage of undivided interest in the Common Areas and Facilities appurtenant to all other units shall not be changed. All such amendments must, in all instances, be consented to by the Management Committee and all other persons holding interest in the Units affected. The consent of other Unit owners need not be obtained to make such amendments or alterations valid, providing the percentages of undivided interest in the Common Areas and Facilities of the other Unit owners remain unchanged.

40. Effective Date. This Declaration, any amendment or supplement hereto, and any amendment or supplement to the Condominium Plat shall take effect upon its being filed for record in the office of the County Recorder of Salt Lake County, Utah.

Dated this 26th day of March, 2013.

By: Jane A. Rogers
Signature

Jane A. Rogers
Printed

Its: President

EXHIBIT "A"

PRESIDENTIAL VILLAS CONDOMINIUM

PHASE 1

BEGINNING AT A POINT WHICH LIES NORTH 448.28 FEET AND EAST 221.74 FEET FROM THE CENTER OF SECTION 11, TOWNSHIP 1 SOUTH, RANGE 1 EAST, SALT LAKE BASE AND MERIDIAN, SAID POINT LIES ON THE EASTERLY LINE OF DONNER WAY AND RUNNING THENCE NORTH 26109'00" EAST 230.26 FEET ALONG SAID EASTERLY LINE TO A POINT ON A 3499.95 FOOT RADIUS CURVE TO THE RIGHT; RUNNING THENCE ALONG SAID CURVE (CENTER BEARS SOUTH 63151'00" EAST) A DISTANCE OF 12.00 FEET; THENCE SOUTH 63151'00" EAST 193.98 FEET TO THE WESTERLY LINE OF OAKHILLS CONDOMINIUMS AMENDED SUBDIVISION PLAT; THENCE SOUTH 26109'00" WEST ALONG SAID PLAT 12.00 FEET; THENCE SOUTH 63151'00" EAST 2.23 FEET; THENCE SOUTH 26109'00" WEST 188.56 FEET; THENCE NORTH 75151'00" WEST 200.61 FEET TO THE POINT OF BEGINNING.

CONTAINS 43,421 SF OR 0.997 ACRES.

EXHIBIT "B"

PARKING AREA

BEGINNING AT A POINT ON THE NORTH LINE OF KENNEDY DRIVE, SAID POINT BEING THE SOUTHEAST CORNER OF OAKWOOD GARDENS CONDOMINIUM PHASE 1, SAID POINT ALSO BEING NORTH 169.40 FEET (167.34 FEET BY RECORD) AND SOUTH 89°36'40" EAST 302.42 FEET FROM THE CENTER OF SECTION 11, TOWNSHIP 1 SOUTH, RANGE 1 EAST, SALT LAKE BASE AND MERIDIAN AND RUNNING THENCE NORTH 26°09'00" EAST ALONG THE EASTERLY LINE OF SAID OAKWOOD GARDENS AND THE EASTERLY LINE OF PRESIDENTIAL VILLAS 280.33 FEET TO A WESTERLY CORNER OF PRESIDENTIAL CLUB CONDOMINIUMS; THENCE SOUTHERLY ALONG SAID PRESIDENTIAL CLUB CONDOMINIUMS THE FOLLOWING FOUR (4) COURSES: 1) SOUTH 63°51'00" EAST 60.00 FEET, 2) SOUTH 26°09'00" WEST 216.82 FEET, 3) NORTH 63°51'00" WEST 17.50 FEET, 4) SOUTH 26°09'00" WEST 43.00 FEET TO THE NORTHERLY LINE OF KENNEDY DRIVE; THENCE NORTH 89°36'40" WEST ALONG SAID NORTHERLY LINE 47.19 FEET TO THE POINT OF BEGINNING.

CONTAINS:0.351ACRES OR15,273SQ.FT.

EXHIBIT "C"

PERCENTAGES OF UNDIVIDED OWNERSHIP INTEREST

<u>Unit Number</u>	<u>Size</u>	<u>Ownership Percentage</u>
1100	2,364 Square Feet	4.80%
1200	2,341 Square Feet	4.80%
1300	1,617 Square Feet	3.31%
1400	1,617 Square Feet	3.31%
1500	2,147 Square Feet	4.39%
1600	2,149 Square Feet	4.39%
2100	2,364 Square Feet	4.80%
2200	2,341 Square Feet	4.80%
2300	1,617 Square Feet	3.31%
2400	1,617 Square Feet	3.31%
2500	2,147 Square Feet	4.39%
2600	2,149 Square Feet	4.39%
3100	2,364 Square Feet	4.80%
3200	2,341 Square Feet	4.80%
3300	1,617 Square Feet	3.31%
3400	1,617 Square Feet	3.31%
3500	2,147 Square Feet	4.39%
3600	2,149 Square Feet	4.39%
4100	2,364 Square Feet	4.80%
4200	2,341 Square Feet	4.80%
4300	1,617 Square Feet	3.31%
4400	1,617 Square Feet	3.31%
4500	2,147 Square Feet	4.39%
4600	2,149 Square Feet	4.39%
TOTAL		100%

“Size” includes interior and deck square footage – does not include storage space square footage.

EXHIBIT "D"

**BYLAWS OF
PRESIDENTIAL VILLAS
HOMEOWNER'S ASSOCIATION**

Table of Contents

ARTICLE I: DEFINITIONS AND NOTICE 4

 1.1 Definitions..... 4

 1.2 Notice..... 5

ARTICLE II: MEETINGS OF THE OWNERS 5

 2.1 Annual Meetings..... 5

 a. Requirement..... 5

 b. Date and Time..... 5

 c. Purpose..... 5

 d. Election of Management Committee Members 6

 e. The Management Committee..... 6

 2.2 Special Meetings..... 6

 a. Who May Call..... 6

 2.3 Place of Meetings..... 7

 2.4 Meetings by Telecommunications 7

 2.5 Notice of Meetings..... 7

 2.6 Owners of Record 7

 2.7 Quorum 7

 2.8 Proxies..... 7

 2.9 Votes 8

 2.10 Ballots and Written Consent 8

 2.11 Minutes of Meetings 8

ARTICLE III: MANAGEMENT COMMITTEE 8

 3.1 Number, Qualifications, Tenure and Election 8

 a. Number of Members..... 8

 b. Member Requirements..... 9

 c. Term..... 9

 d. Nominations..... 9

 e. Disqualification..... 9

 3.2 Meetings..... 9

 a. Regular Meetings 9

b.	Who is Entitled to Attend	10
c.	Attendance by Telephone or other Means	10
d.	Quorum and Manner of Acting	10
e.	Place and Notice of Meetings	10
3.3	Compensation	10
3.4	Resignation and Removal	10
3.5	Vacancies	11
ARTICLE IV: OFFICER RESPONSIBILITIES		11
4.1	Officers	11
4.2	Responsibilities	11
4.3	The President	12
4.4	The Secretary	12
4.5	The Treasurer	12
ARTICLE V: AMENDMENTS		12
5.1	Amendments	12
ARTICLE VI: INDEMNIFICATION		13
6.1	Indemnification	13
6.2	Other Indemnification	13
6.3	Settlement by Association	13
ARTICLE VII: WAIVER OF IRREGULARITIES		14
7.1	Waiver of Procedural Irregularities	14
7.2	Requirements for Objections	14
7.3	Irregularities That Cannot Be Waived	14

**BYLAWS
OF
PRESIDENTIAL VILLAS HOMEOWNER'S ASSOCIATION**

These bylaws are hereby adopted and established as the Bylaws of the Presidential Villas Homeowners Association, Inc. ("the Association"). These Bylaws and any amendments thereto shall apply to the Association upon their recording and shall bind all present and future Owners and Occupants.

ARTICLE I: DEFINITIONS AND NOTICE

- 1.1 Definitions. Except as otherwise provided herein or as may be required by the context, all terms defined in the AMENDED AND RESTATED DECLARATION OF CONDOMINIUM FOR PRESIDENTIAL VILLAS CONDOMINIUM ("the Declaration"), as amended, shall have the same defined meanings when used in these Bylaws. For reference, the following definitions are duplicated herein:
- a. Act shall mean the Utah Condominium Act.
 - b. Association shall mean and refer to all of the Unit Owners at Presidential Villas Condominium taken as or acting as, a group in accordance with the Declaration. When the Association is incorporated or otherwise organized into an entity as allowed by law, reference to the Association shall mean the Corporation or other entity.
 - c. Committee shall mean and refer to the Management Committee of the Association as duly constituted.
 - d. Declaration shall mean and refer to this Declaration of Condominium for Presidential Villas Condominium.
 - e. Manager shall mean and refer to the person or entity appointed or hired by the Association to manage and operate the Project and/or assist in the administration of the Association.
 - f. Owner shall mean and refer to the person who is listed as the reputed owner or owner of record in the office of the County Recorder of Salt Lake County, Utah, of a fee or an undivided fee interest in a Unit, excluding a mortgagee or a beneficiary or trustee under a deed of trust, unless and until such party has acquired title pursuant to foreclosure or any arrangement or proceeding in lieu thereof.
 - g. Person shall mean and refer to a natural person, corporation, partnership, trust, limited liability company, or other legal entity.

- h. Project shall mean and refer to this, the Presidential Villas Condominium Project.
 - i. Property shall mean and refer to all of the land or real estate, improvements and appurtenances submitted to the Act and this Declaration.
 - j. Rules shall mean rules, regulations, and procedures, including “house rules” written by the Management Committee and which must be complied with by Owners, Guests and Residents.
 - k. Unit shall mean and refer to a separate physical part of the Property intended for independent use, including one or more rooms or spaces located in one or more floors or part or parts of floors in a building. Mechanical equipment and appurtenances located within any one Unit, or located without said Unit but designated and designed to serve only that Unit, such as appliances, electrical receptacles and outlets, air conditioning compressors, furnaces, water heaters, apparatus, systems or equipment, fixtures and the like, shall be considered part of the Unit; so shall all decorated surfaces of interior walls, floors and ceilings, including but not limited to all paint, wallpaper, wall coverings, windows and window frames, doors and door frames, trim, carpeting, wood flooring, tile and linoleum. All pipes, wires, conduits, or other utility lines or installations constituting a part of the Unit or serving only the Unit, and any structural members, parts, components or any other property of any kind, including fixtures or appliances within any Unit, which are removable without jeopardizing the integrity, soundness, safety or usefulness of the remainder of the Building within which the Unit is located, shall be deemed to be part of the Unit.
- 1.2 Notice. Notice as required in these Bylaws shall be accomplished as provided for in the Declaration.

ARTICLE II: MEETINGS OF THE OWNERS

- 2.1 Annual Meetings.
- a. Requirement. An annual meeting for the Owners shall be held no less than once each calendar year.
 - b. Date and Time. Unless changed by the Management Committee, the annual meeting shall be held in December of each year in the 1st floor Club Room in the Building.
 - c. Purpose. The annual meeting shall be held for the following purposes:
 - 1. If necessary, electing members of the Committee who serve as officers of the Association;

2. So long as required by law, distributing the most recent reserve study, permitting discussion on reserve funding options, and voting on whether and how to fund the reserve account;
 3. Approval of the budget by a vote of the Owners;
 4. Distributing any annual insurance report if it was not distributed before the annual meeting, announcing the current deductible for the Association's property insurance and the Owners' potential responsibility for this deductible, and permitting questions and discussion on insurance issues and coverage;
 5. If no earthquake insurance has been obtained, voting to confirm this decision; and
 6. Transacting such other business as may properly come before the meeting.
- d. Election of Management Committee Members. If the election of the Committee Members cannot be held on the day designated for the annual meeting, or at any adjournment thereof, the Committee shall cause the election to be held at a special meeting for the Owners, to be convened as soon thereafter as may be convenient.
- e. The Management Committee shall adopt the minutes of the annual meeting in their next Committee meeting, or as soon as reasonably possible after the annual meeting.

2.2 Special Meetings.

- a. Who May Call. Special meetings for the Owners may be called by the President, or upon the written request of Owners holding not less than twenty-five percent (25%) of the Undivided Interest of the Association.
- b. Requirements for Request of Owners. Any written request for a special meeting shall include the signature of each Owner affirmatively supporting such request along with a statement of the purpose of the meeting. The statement of affirmation and purpose must be on every document containing signatures. Such written request is to state the purpose or purposes of the meeting and shall be delivered to the Manager, or the President, who shall then call a special meeting, provide notice of the special meeting, and conduct a special meeting within sixty (60) days of receipt of the request. Only the purpose identified on the request shall be addressed at the special meeting.

- 2.3 Place of Meetings. The 1st Floor Club Room in the Project shall be the place for any annual or special meeting unless special circumstances make it unavailable, in which case the meeting shall be held within five miles of the location of the Project.
- 2.4 Meetings by Telecommunications. Any or all of the Owners may participate in an annual or special meeting of the members by, or the meeting may be conducted through the use of, any means of communication by which all persons participating in the meeting may hear each other during the meeting. A member participating in a meeting as allowed in this section is considered to be present in person at the meeting. The Management Committee may establish procedures and rules related to this provision as it relates to proxies, verifying attendance, and other aspects of the meeting.
- 2.5 Notice of Meetings. The Committee shall cause written notice of the time and place, and in the case of a special meeting, the purpose, for all meetings of the Owners, whether annual or special, to be delivered to the Owners, not more than thirty (30) nor less than ten (10) days prior to the meeting.
- 2.6 Owners of Record. For the purpose of determining Owners entitled to notice of or to vote at any meeting of the Owners, or any adjournment thereof, the Committee may designate a record date, which shall not be more than thirty (30) nor less than ten (10) days prior to the meeting. If no record date is designated prior to sending notice of the meeting, the first date on which a notice of the meeting is sent shall be deemed to be the record date for determining Owners entitled to notice of or to vote at the meeting. The Persons or entities appearing in the records of the Association on such record date as the Owners of record of Units in the Property shall be deemed to be the Owners of record entitled to notice of and to vote at the meeting of the Owners.
- 2.7 Quorum. At any meeting of the Owners, the presence of Owners holding, or holders of proxies entitled to cast, more than forty percent (40%) of the Undivided Interest of the Association shall constitute a quorum for the transaction of business. If a quorum is not met, the meeting shall be postponed to a date of not more than thirty (30) days and not less than fifteen (15) days at which time the owners present shall constitute a quorum. In the case of any such postponement, notice of the meeting shall again be provided to all owners at least seven (7) days before the postponed meeting which shall include the statement: "The meeting will occur without any quorum requirement for a minimum number of owners present."
- 2.8 Proxies. At each meeting of the Owners, each Owner entitled to vote shall be entitled to vote in person or by proxy; provided, however, that the right to vote by proxy shall exist only where the instrument authorizing such proxy to act shall have been executed by the Owner or by the Owner's attorney when duly authorized in writing. If a Unit is jointly owned, the instrument authorizing a

proxy to act may be executed by any one (1) Owner of such Unit or that Owners' attorneys when duly authorized in writing. Such instrument authorizing a proxy to act may set forth the specific matters or issues upon which the proxy is authorized to act. Such instrument shall be delivered to the Secretary of the Association or to such other officer or person who has been authorized by the Association to accept proxies at the meeting. Such instrument shall be delivered either prior to or at the meeting, but no later than any point after the start of the meeting at which it is announced by the person in charge of the meeting as the final time to deliver proxies.

- 2.9 Votes. With respect to each matter submitted to a vote of the Owners, each Owner entitled to vote at the meeting shall have the right to cast, in person or by proxy, the total percentage of ownership, as shown in Exhibit C of the Declaration. The affirmative vote of Owners holding the majority of the Undivided Interests entitled to be cast by the Owners present or represented by proxy at a meeting at which a quorum was initially present shall be necessary for the adoption of any matter voted on by the Owners, unless a greater proportion is required by these Bylaws, the Declaration, the Act, or the Revised Nonprofit Corporations Act. When more than one Owner holds an interest in a Unit, any Owner may exercise the vote for such Unit on behalf of all co-Owners of the Unit. In the event of two conflicting votes by co-Owners of one Unit, no vote shall be counted for that Unit but it shall be counted for the purposes of establishing a quorum. In no event shall fractional votes be exercised in respect to any Unit.
- 2.10 Ballots and Written Consent. The Association may use alternative procedures for obtaining the approvals of owners, such as mailing out ballots to be used as an alternative to meetings and written consents to be used instead of meetings, as allowed by and consistent with the requirements of the Revised Nonprofit Corporation Act.
- 2.11 Minutes of Meetings. The secretary shall take minutes of all meetings of the Owners. The minutes shall include, at a minimum, 1) the identification of the Persons present at the meeting in person and by proxy, 2) the date of the meeting, (3) the identification of any issue that is voted on or decided in the meeting, 4) the number of votes cast for and against any issue decided upon, 5) the wording of any resolution passed at the meeting. The failure to take appropriate minutes or otherwise comply with this Section 2.11 does not invalidate any action taken at a meeting.

ARTICLE III: MANAGEMENT COMMITTEE

- 3.1 Number, Qualifications, Tenure and Election.
- a. Number of Members. The Committee shall be composed of three (3) persons, constituting a President, Secretary and Treasurer.

- b. Member Requirements. To be on the Committee, a Person must be an Owner and over the age of eighteen years old. If an Owner is an entity or trust, an officer, partner, member, manager, trustee, or beneficiary of such, the Owner may be a member of the Committee. Any candidate or member of the Committee shall, upon a request by any Owner, produce sufficient documentation establishing that person's right to serve on the Committee.
- c. Term. The term of each Committee Member shall be two (2) years. If possible, the terms of the Committee Members shall overlap so that one (1) Committee Member shall be elected one year, two (2) the next, and so on.
- d. Nominations. Nominations may be made prior to or at a meeting. An Owner may submit his or her own name or the name of any other Owner to serve on the Committee. If an Owner submits the name of another Owner, the nomination shall not be valid until the Owner being nominated confirms (in person or in writing) that the Owner is willing to serve. Nominations may be accompanied by a short biography or statement. Nominations prior to the meeting shall be submitted to the Association Secretary. If the Association gives advance notice of any person seeking election to the Committee in a notice, ballot, or proxy; it shall include the names of every person nominated at the time the notice is sent.
- e. Disqualification. If any Committee Member is alleged to not meet the qualification requirements in the Declaration and any Committee Member is notified of or discovers this alleged lack of qualification, the Committee shall promptly investigate and verify whether the Committee Member is qualified or not, and during this period shall not make any further decisions. If the Committee Member is not qualified, the Committee Member's membership on the Committee shall terminate automatically retroactive to the date that written notice of an alleged lack of qualification was provided to the Association or, if no notice was provided, to the date that the Committee established that the Committee Member was not qualified. If a Committee Member becomes unqualified or was not qualified under the Governing Documents, but was nonetheless elected to or permitted to remain on the Committee, the decisions and actions of the Committee and that Committee Member are not subject to challenge on this basis up to the time that the Association is notified in writing as provided for in this section or until the Committee Member is disqualified if no such notice is provided.

3.2 Meetings.

- a. Regular Meetings. The Committee shall hold regular meetings at least quarterly, and more often at the discretion of the Committee.

- b. Who is Entitled to Attend. Owners may attend meetings and may be present for all discussion, deliberation, and decisions except when the Committee is in executive session, at which time only members of the Management Committee may attend. Owners shall comply with all reasonable rules established by the presiding officer for their attendance, including a requirement that they remain silent except at the time designated for owner comments or when comments are solicited by the Committee. If an Owner attends, the Committee shall designate some time for comments from the Owner(s).
 - c. Attendance by Telephone or other Means. The Committee may allow attendance and participation at any meeting of the Committee by telephone or any other means that allows for the Committee Members to hear each other during the meeting.
 - d. Quorum and Manner of Acting. Two (2) Committee Members shall constitute a quorum for the transaction of business at any meeting of the Committee. The Committee Members shall act only as a Committee, and individual members shall have no powers as such.
 - e. Place and Notice of Meetings. The Committee may designate any place in Salt Lake County as the place of meeting for any regular meeting called by the Committee but shall in good faith attempt to hold meetings at the Project or in as close a proximity to the Project as reasonably possible.
- 3.3 Compensation. No Committee Member shall receive compensation for any services that he/she may render to the Association as a Committee Member; provided, however, that a Committee Member may be reimbursed for expenses incurred in the performance of his/her duties as a Committee Member to the extent such expenses are approved by the Committee.
- 3.4 Resignation and Removal. A Committee Member may resign at any time by delivering a written resignation to the President or Manager. Unless otherwise specified therein, such resignation shall take effect upon delivery. An oral resignation attempt is not effective. Any Committee Member may be removed and replaced at any time, with or without cause, by the affirmative vote of at least fifty percent (50%) of the Total Votes of the Association. This vote must be taken at a special meeting of the Owners called for that purpose. If the Owners vote to remove all of the members of the Committee, they shall immediately thereafter and at the same meeting elect new members of the Committee using the procedures normally applicable for election of Committee members at an annual meeting. If the Owners vote to remove less than all of the members of the Committee, the Owners may vote to elect replacement members at the special meeting. If the Owners vote to remove less than all of the members of the Committee and either due to inadvertence or choice do not elect replacements at the special meeting, the remaining members of the Committee, by majority vote,

shall appoint replacement members for the remainder of the term of the Committee Members who were removed, but they shall not appoint any member who was removed.

- 3.5 Vacancies. If any vacancy of a member of the Committee shall occur by any cause, such vacancies may be filled by the Committee at any regular or special meeting. During the time that any office is vacant and no other officer is available to perform the duties of that office as required below, the Committee shall ensure that the duties and responsibilities of the office are performed

ARTICLE IV: OFFICER RESPONSIBILITIES

- 4.1 Officers. The officers of the Association's Management Committee shall be a President, Secretary, and Treasurer.
- 4.2 Responsibilities. The Officers of the Committee shall be responsible for at least the following:
- a. Preparation of an annual budget;
 - b. Establishing Assessment of each Owner;
 - c. Providing for the operation, care, upkeep, replacement, maintenance and regulation of all the Common Areas and Facilities;
 - d. Hiring a professional manager and the personnel necessary to operate and maintain the Project;
 - e. Enforcing the Project governing documents – Declaration, Bylaws, Rules & Regulations and all state laws governing condominium projects.
 - f. Establishing bank accounts;
 - g. Obtaining insurance as stated in the Declaration;
 - h. Books & Records. All books and records shall be kept in accordance with generally accepted accounting practices. Upon the written request of any Owner, the Manager or a member of the Management Committee shall mail or email to such member its most recent financial statements showing in reasonable detail its assets and liabilities and the results of its operation, unless the member has already received the same.

- 4.3 The President. The President shall preside at meetings of the Committee and at meetings of the Owners. At all meetings, the President shall have all authority typically granted to the person presiding over a meeting including but not limited to: 1) the right to control the order of the meeting, 2) the right to arrange for the removal of any disruptive persons who may include but not be limited to any Person who i) refuses to abide by rules or requests of the presiding person related to the order of the meeting and when speaking is permitted, or ii) engages in vulgar, threatening, or otherwise inappropriate language or gestures, 3) the right to impose and enforce reasonable rules and procedures related to the meeting such as those found in "Robert's Rules of Order" or "The Modern Rules of Order" and 4) the right to designate the Manager or any other Person to preside over any meeting at which the President is present. The President shall sign on behalf of the Association all conveyances, mortgages, documents, and contracts, and shall do and perform all other acts and things as required by the Committee. The President shall have the general authority to implement decisions of the Committee and shall oversee the operations of the Association. The President shall have authority in case of emergency to take action without Committee approval as is necessary and prudent to preserve and protect property. The President shall be responsible for the duties of any other office while that office is vacant.
- 4.4 The Secretary. The Secretary shall keep the minutes of the Association and shall maintain such books and records as these Bylaws, the Declaration, the law, or any resolution of the Committee may require such person to keep. The Secretary shall also act in the place and stead of the President in the event of the President's resignation, absence, inability, or refusal to act. The Secretary shall perform such other duties as required by the Committee.
- 4.5 The Treasurer. The Treasurer shall have the custody and control of the funds of the Association, subject to the action of the Committee, and when requested by the President, shall report the state of the finances of the Association at each meeting of the Owners and at any meeting of the Committee. The Treasurer shall have authority and obligation to generally implement the requirements of governing documents as it relates to the funds of the Association including the requirement to obtain a review by an independent accountant every three years and the preparation and filing of appropriate tax returns. The Treasurer shall also act in the place and stead of the President in the event of the President and Secretary's resignation, absence, inability, or refusal to act. The Treasurer shall perform such other duties as required by the Committee.

ARTICLE V: AMENDMENTS

- 5.1 Amendments. Except as otherwise provided herein or by the Act, these Bylaws may be amended by the affirmative vote of sixty percent (60%) of the Total Votes of the Association. The vote must occur in a meeting of the Owners held for that

purpose. The vote of approval of any one Owner of a Unit is sufficient if there are multiple Owners of the Unit.

ARTICLE VI: INDEMNIFICATION

- 6.1 Indemnification. No Management Committee Member or member of a Committee so designated by the Management Committee shall be personally liable for any obligations of the Association or for any duties or obligations arising out of any acts or conduct of said Management Committee Member or designated Committee member performed for or on behalf of the Association. The Association shall and does hereby indemnify and hold harmless each person who shall serve at any time as a Management Committee Member or a member of a Committee, as well as such person's heirs and administrators, from and against any and all claims, judgments, and liabilities to which such persons shall become subject, by reason of that person having heretofore or hereafter been a Management Committee Member or member of a duly formed Committee or by reason of any action alleged to have been heretofore or hereafter taken or omitted to have been taken by him/her as such Management Committee Member or Committee member, and shall advance and reimburse any such person for all legal and other expenses reasonably incurred in connection with any such claim or liability; provided that the Association shall have the right, in its sole discretion, to defend such person from all suits or claims; provided further, however, that no such person shall be indemnified against or be reimbursed for or be defended against any expense or liability incurred in connection with any claim or action arising out of such person's intentional misconduct. The rights accruing to any person under the foregoing provisions of this Section shall not exclude any other right to which such person may lawfully be entitled, nor shall anything herein contained restrict the right of the Association to indemnify or reimburse such person in any proper case, even though not specifically provided for herein or otherwise permitted.
- 6.2 Other Indemnification. The indemnification herein provided shall not be deemed exclusive of any other right to indemnification to which any person seeking indemnification may be provided under any statute, agreement, vote of disinterested Management Committee Members, or otherwise, both as to action taken in any official capacity and as to action taken in any other capacity while holding such office. The indemnification herein provided shall continue as to any person who has ceased to be a Management Committee Member, Committee member, or employee, and shall inure to the benefit of the heirs, executors, and administrators of any such person.
- 6.3 Settlement by Association. The right of any person to be indemnified shall be subject always to the right of the Association by the Management Committee, in lieu of such indemnity, to settle any such claim, action, suit, or proceeding at the expense of the Association by the payment of the amount of such settlement and the costs and expenses incurred in connection therewith.

ARTICLE VII: WAIVER OF IRREGULARITIES

- 7.1 Waiver of Procedural Irregularities. All inaccuracies and irregularities in calls or notices of meetings, in the manner of voting, in the form of proxies, in the method of ascertaining Persons present, in the method of making decisions, or in the method of accepting or counting votes shall be deemed waived under the following circumstances:
- a. if the objecting Person was in attendance at the meeting, they are waived if no objection to the particular procedural issue was made at the meeting,
 - b. if the objecting Person was not in attendance at the meeting but had proper notice of the meeting, they are waived if no objection to the particular procedural issue was made within sixty (60) days of the date the meeting was held,
 - c. if the objecting person was not in attendance at a meeting, did not have proper notice of the meeting, but had actual notice of the meeting before it occurred, they are waived if no objection to the particular procedural issue was made within ninety (90) days of the date of the meeting
 - d. if the objecting person was not in attendance at the meeting and did not have actual and proper notice of the meeting before it occurred, within ninety (90) days of receiving actual notice of the occurrence of the meeting or of any decision that was made at the meeting,
 - e. for any action, vote, or decision that occurred without a meeting, within one hundred twenty (120) days of receiving actual notice of the occurrence of the action, vote, or decision.
- 7.2 Requirements for Objections. All objections except those made at a meeting shall be in writing. Whenever made, objections must be specific and shall include identification of the specific provision of the Governing Document or other Law that has been violated and a brief statement of the facts supporting the claimed violation.
- 7.3 Irregularities That Cannot Be Waived. The following irregularities cannot be waived under the prior subsection:
- a. Any failure to comply with the provisions of the Declaration.
 - b. Any failure to obtain the proper number of votes required to approve of or take a particular action.