

AMENDED DECLARATION OF COVENANTS,

CONDITIONS AND RESTRICTIONS

FOR

COUNTRY OAKS CONDOMINIUMS

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CAROL DEAN PAGE, DAVIS CNTY RECORDER
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REC'D FOR COUNTRY OAKS HOMEOWNERS ASSOC

This Amended Declaration of Covenants, Conditions and Restrictions, hereinafter called "Declaration", and the By-Laws which are attached hereto and made a part hereof are made and executed in Davis County, Utah, this ___ day of _____ 1993, by Country Oaks Condominium Management Committee, hereinafter called "Management Committee", pursuant to the provisions of the Utah Condominium Ownership Act, Utah Code Annotated, §57-8-1, et seq., (1953 as amended), hereinafter referred to as "Condominium Ownership Act" or "Act".

WITNESSETH

WHEREAS, Unit Owners are the Owners of the Units and Common Areas and Facilities at Country Oaks Condominiums located in Davis County, Utah, described in the Record of Survey Map Recorded in the Davis County Recorder's Office and in Appendix "A" which is attached hereto and made a part hereof; and

WHEREAS, there are 71 Units which have been physically constructed at Country Oaks and 23 unbuilt Units that have been declared but not constructed; and

WHEREAS, the Unit Owners owning Units at Country Oaks have subsidized Site Owners for more than 15 years by paying expenses associated with the Sites. These expenses include but are not limited to the following: road maintenance, yard and Site maintenance, tool purchases, equipment purchases, grounds spraying, grounds repairs, clean up of vacant lots, curb and gutter repair, management services, liability insurance, supplies, sprinkling systems, trash removal, payroll taxes, workers compensation and state unemployment taxes,

WHEREAS, Site Owners have said they are willing to pay a reasonable sum to cover expenses associated with their Ownership of a Site; and

WHEREAS, the Condominium Ownership Act provides an Amended Declaration shall contain provisions which are desirable and consistent with the Act; and

WHEREAS, the Act provides for the administration of condominium property by the enactment of

The Utah Supreme Court has referred to the unbuilt Units as "sites, parcels, undeveloped land and as a tract", and referred to those who owned the unbuilt Units as an "Interest Owner". Unbuilt Units shall hereafter be referred to as "Sites" and those owning unbuilt Units as "Site Owners."

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bylaws which may be embodied in the Declaration; and

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WHEREAS, the Act states the bylaws may contain those provisions deemed necessary for the administration of the property; and

WHEREAS, Unit Owners have determined it would be in the interest of equity and justice to require Site Owners to pay a portion of the expenses incurred in connection with Sites and the common area surrounding the Sites; and

WHEREAS, Unit Owners are concerned about the future development and integrity of Country Oaks Condominiums and desire to ensure that any Unit (or building) constructed at Country Oaks is constructed with the same degree of high quality material and workmanship as those Units (or buildings) that currently exist at Country Oaks and that any construction is of a similar size, architecture and type; and

WHEREAS, Unit Owners have been required to repair and redo work performed by developers and/or builders in the past because of poor and shoddy workmanship and desire to avoid a repeat of that expense; and

WHEREAS, the time for expansion of Country Oaks Condominium ended as a matter of law on November 5, 1982, and the last expansion took place in 1978 when a supplemental declaration was recorded, yet the development is not complete and the original developer has sold all of its interest in Country Oaks to third parties by deeding Units to these third parties, and these third parties have failed or refused to complete the development for over 15 years, which failure or refusal has been to the detriment of Country Oaks Condominium; and

WHEREAS, any person or entity who in any manner uses the property at Country Oaks is subject to the Act and to the Declaration and bylaws; and

WHEREAS, the Utah Supreme Court did not determine in the recent case entitled Country Oaks Condominium Management Committee v. Lon L. Jones, et al., what interest Site Owners own at Country Oaks beyond saying they do not own Units; and

WHEREAS, The Utah Supreme Court ruling did not address the fact that previous supplemental declarations were recorded which identified the unbuilt Units and distributed a percentage of the common area to the Owners of these Units, nor did it address the statutory requirement that 100% of the Unit Owners must agree and consent before the percentage interest in the common area associated with each Unit can be modified; thus the Unit Owners are required to amend the Declaration to redistribute the common area associated with each Unit based on those Units that are built; and

WHEREAS, the unbuilt Units in phases 7-2 and 7-3 cannot own a portion of the common area since a legal claim to the common area can only be held in connection with a Unit; and

WHEREAS, the original Declarant submitted the property to the provisions of the aforesaid act as a condominium property and imposed upon said property mutually beneficial restrictions under a general plan of improvement for the benefit of said property and the Owners thereof; and

WHEREAS, Unit Owners purchased Units at Country Oaks Condominium with the understanding, reliance and expectation that the Country Oaks Condominium project would be completed in a reasonable time

and that those who owned an interest in the Sites, Units or unbuilt condos would be contributing to the expenses associated with Country Oaks Condominium and maintenance of the property owned therein; and

WHEREAS, Site Owners as defined herein own Sites, and possess the rights stated herein in connection with Site Ownership, which include the right to construct a physical Unit on the Site in accordance with the terms of this Amended Declaration; and

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WHEREAS, Unit Owners are maintaining, managing and preserving the Sites, the property and the condominium project for Site Owners until such time as Site Owners build a physical Unit on their Site;

NOW, THEREFORE, for such purposes, Unit Owners hereby amend and revoke all prior Declarations and supplemental declarations and in place thereof record this Amended Declaration and declare that all of the property is held and shall be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to the following covenants, conditions restrictions, uses, limitations and obligations, all of which are declared and agreed to be in furtherance of a plan for the improvement of said property and the division thereof into Units, and shall be deemed to run with the land and shall be binding upon any person acquiring or owning an interest in the real property, a Unit, or a Site, their grantees, successors, heirs, executors, administrators, devisees and assigns.²

1. NAME OF THE CONDOMINIUM PROPERTY.

The name by which the condominium property shall be known is "Country Oaks Condominiums".

2. DEFINITIONS.

The terms used herein shall have the meaning stated in the Utah Condominium Ownership Act and as follows, unless the context clearly indicates a different meaning therefor:

A. "Amended Declaration" shall mean this document which has been enacted to repeal, revoke and amend all prior declarations, supplemental declarations and amended declarations enacted or recorded prior to this Amended Declaration.

B. The term "The Act" shall mean and refer to the Utah Condominium Ownership Act, Utah Code Annotated, §57-8-1, et seq. (1953 as amended).

C. The term "Condominium" shall mean and refer to the Ownership of a single Unit in this condominium project, together with an undivided interest in common areas and facilities of the property.

D. The term "Declaration" shall mean the instrument by which the Country Oaks Condominiums were established.

E. The Term "property" shall mean and include the land, the Sites, the buildings, all improvements and structures thereon, all easements, rights and appurtenances belonging thereto, and all articles of personal property intended for use in connection therewith.

² The Bylaws of Country Oaks Condominiums, which were attached as Appendix "C" to the original Declaration creating Country Oaks Condominiums, are not revoked, amended or repealed but shall remain in force as originally enacted and are hereby incorporated as part of this Amended Declaration.

F. The term "condominium project" shall mean and refer to the entire real estate condominium project referred to in this Declaration.

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G. The term "map" shall mean and refer to the record of survey map (or maps) of Country Oaks Condominiums, recorded with the declaration or supplemental declarations in accordance with Utah Code Annotated, §57-8-13 (1953 as amended).

H. The term "Unit" shall mean that part of the property to which an individual or entity has received a deed or title in fee simple and shall include the elements of the condominium property which are not owned in common with the Owners of other Units as shown on the map. A Unit may not be owned independent of an interest in the common area.

I. The term "Unit Owner" shall mean the person or persons owning a Unit in fee simple and an undivided interest in the fee simple estate of the common areas and facilities in the percentage specified and established in the Amended Declaration.

J. The term "Unit Owners" shall mean and refer to Owners of Units at Country Oaks Condominium.

K. The term "association of Unit Owners" shall mean and refer to all of the Unit Owners acting as a group in accordance with the Act, the Declaration and By-Laws.

L. The term "Unit number" shall mean and refer to the number designating the Unit (or Site) in the Declaration and in the record of survey map.

M. The terms "majority" or "majority of the Unit Owners" shall mean the Owners of more than 50 percent in the aggregate in interest of the undivided Ownership of the common areas and facilities.

N. The term "management committee" shall mean and refer to a committee composed of persons duly elected thereto by the association of Unit Owners, as provided in this Declaration. Said committee is charged with and shall have the responsibility and authority to make and to enforce all of the reasonable rules and regulations covering the operation and maintenance of the property.

O. The term "manager" shall mean and refer to the person, persons or corporation selected by the management committee to manage the affairs of the condominium project.

P. The term "common areas and facilities" shall mean and refer to:

1. The land described in paragraph 3.A hereof.
2. That portion of the condominium project not specifically included in the respective Units or Sites as herein defined. There shall be no Ownership interests in the common area separate from the Ownership of a Unit.
3. All foundations, columns, girders, beams, supports, main walls, roof, exterior walkways, parking areas, service streets, stalls and social center, recreational areas and facilities, yards, gardens, fences, all installations of power, light and other utilities to the outlets, and in general all other apparatus, installations and other parts of the property necessary or convenient to the existence, maintenance and safety of the common area, of normally in common use.
4. Those common areas and facilities specifically set forth and designated as such in the map.

5. All common areas and facilities as defined in the Act, whether or not expressly listed herein, except that portion of the condominium project included in the respective Units.

6. A new form of Ownership interest in a condominium project, not contained in the Condominium Ownership Act, was recognized by the Utah Supreme Court in the Country Oaks v. Jones case, which interest was recognized as a "Site". Sites are not part of the Common Area and there are no Ownership interests in the common areas associated with Sites.

Q. The term "limited common areas and facilities" shall mean and refer to those common areas and facilities designated in the Declaration and the map as reserved for use of a certain Unit or Units to the exclusion of the other Units, including but not limited to balconies, patios and parking spaces designated in the map.

R. The term "common expenses" shall mean and refer to all expenses of administration, maintenance, repair or replacement of the common areas and facilities; to all items, things and sums described in the Act which are assessed against the Unit Owners or Site Owners in accordance with the provisions of the Act, or this Declaration, the By-Laws, such rules and regulations pertaining to the condominium project as the association of Unit Owners or the management committee may from time to time adopt, and such determinations and agreements lawfully made and/or entered into by the management committee.

S. "Site(s)" shall mean an Ownership interest in an unbuilt Unit or undeveloped land at Country Oaks Condominium wherein the declaration or supplemental declarations declared a Unit(s) would be built. Site shall include the words "parcel, tract or undeveloped land," unless the context clearly indicates a different meaning. There are 23 Sites existing within Country Oaks Condominiums and each Site is designated as a Unit with a Unit number on the Record of Survey Map recorded in the Davis County Recorders Office and is further identified as privately owned property on the Record of Survey Map. A deed has been recorded at the Davis County Recorders Office in connection with each Site (the deeds refer to these Sites as "Units"). Sites are maintained at the expense and under the direction of the management committee. Site expenses are paid by the management committee and the costs associated therewith are assessed against the Unit and Site Owners.

T. "Site Owner(s)" shall mean any person, persons or entity that has received a deed to a Unit at Country Oaks, which deed has been recorded at the Davis County Recorders Office, but the Unit referred to in the deed has not yet been built. For example, the 23 Sites at Country Oaks that have not had a physical building constructed, housing a built Unit, all have deeds recorded at the Davis County Recorders Office in connection with these Sites. These deeds represent Sites and when a Unit is constructed on the Site, the Site will no longer exist but will be a Unit. A Site Owner is responsible to pay his share of the expenses associated with a Site and with the condominium project in the amounts or in the percentage stated in this amended declaration.

U. "Site Expenses" shall mean those expenses, costs or fees in any way incurred in connection with the administration, management, regulation, safety, supervision, maintenance, preservation,

protection, upkeep, or repair of a Site. Site expenses may include those expenses associated with all aspects of the condominium project that do not include a physical Unit or the maintenance thereof. Site Expenses shall include all items, amounts and sums assessed against the Site Owners by the management committee.

V. Those definitions contained in the Act, to the extent they are applicable to and not inconsistent herewith, shall be and hereby are incorporated herein by reference and shall have the same effect as is expressly set forth herein and made a part hereof.

3. DESCRIPTION OF PROPERTY.

A. Description of Land. The land on which the Country Oaks Condominiums are located is that tract or parcel of land in Davis County, State of Utah, more particularly described in Appendix A of this Declaration,

B. General Description of Buildings. The buildings constituting a part of this condominium project are identified in relationship to each other in the map.

The total number of Units in each building and the number of bedrooms which each Unit contains are specified in the Map.

The number of levels or floors in each such Unit is shown in the map. All buildings will consist of wood frame structures, together with an exterior composite of brick. Any buildings constructed in the future shall be constructed of the same quality (or better) material as those buildings that currently exist in phase I.

Each Unit is designed for use as a single-family residence, and has the exclusive right to use and occupy the garage reserved for each Unit as shown in the map.

All other details involving the respective descriptions and locations of the buildings and a statement of the number of stories, number of Units and the principal materials of which each building is or is to be constructed and other like details are set forth in the map.

C. Description of Units.³ Each Unit shall consist of:

1. The space enclosed within the undecorated interior surface of its perimeter walls, floors and ceilings (being in appropriate cases the inner surfaces parallel to the roof plane of the roof rafters, and the projections thereof) projected, where appropriate, to form a complete enclosure of space.

2. Any finishing material applied or affixed to the interior surfaces of the perimeter walls, floors and ceiling, including without limitation paint, lacquer, varnish, wallpaper, tile and paneling.

3. Non-supporting interior walls.

4. Windows and doors in the perimeter walls, whether located within the bounds of a Unit or not, but not including any space occupied thereby to the extent located outside the bounds of the Units.

5. All utility pipes or lines or systems, and fixtures or appliances connected thereto,

³ This section describes what a constructed Unit consists of when it is constructed. It does not define a Unit. This description is necessary to distinguish whether repairs and expenses are a liability of the management committee (common expense) or a liability of the Unit or Site Owners.

servicing a single Unit or connecting a single Unit to a main or central utility, whether located within the bounds of the Unit or not, but not including any space occupied thereby to the extent located outside the bounds of the Unit.

6. Units forming a part of the condominium property are more particularly described in the map, which shows graphically all the particulars of the buildings; without limiting the generality of the foregoing, the Unit designations are set forth in Appendix B attached hereto.

7. Each Unit has immediate access to the common areas or facilities or limited common areas and facilities contiguous to the building in which such Unit is located.

8. Every contract for the sale of a Unit or Site and every other instrument affecting title to a Unit or Site may describe that Unit or Site by its identifying number or symbol as designated in the map or maps with the appropriate reference to the map(s) and to the Declaration, as each shall appear on the records of the County Recorder of Davis County, Utah. Such description will be construed to describe the Site, or the Unit together with the Unit's appurtenant undivided interest in the common areas and facilities, and to incorporate all the rights incident to Ownership of a Unit or Site and all the limitations on such Ownership as described in this Declaration.

D. Description of Common Areas and Facilities. The common areas and facilities shall consist of all parts of the condominium property except the Units and Sites. Without limiting the generality of the foregoing, the common areas and facilities shall include the following, whether located within the bounds of a Unit or not:

1. All structural parts of the building, including without limitation foundations, columns, joists, beams, supports, supporting walls, floors, ceiling and roofs.

2. Patios, yards, courts and driveways which are not limited common areas and facilities as defined herein.

3. The roadways contained therein, provided that such roadways shall cease to be part of the common areas and facilities when and if dedicated to public use with the consent of the association of Unit Owners and accepted by the public authority having jurisdiction.

4. Any utility pipe or line or system servicing more than a single Unit, and all ducts, wires, conduits and other accessories used therewith, but excluding any pipe or line or system or to a pipe or line or system servicing more than a single Unit.

5. All other parts of the condominium property necessary or convenient to its existence, maintenance and safety, or normally in common use, or which have been designated as common areas and facilities in the drawings.

6. The limited common areas and facilities hereinafter described.

7. All repairs and replacements of any of the foregoing.

E. Description of Limited Common Areas and Facilities. Each Unit Owner is hereby granted an irrevocable license to use and occupy the limited common areas and facilities reserved exclusively for the use of his Unit, which shall consist of all the common areas and facilities, including but not limited to a

balcony and/or patio, yard, and a garage and driveway which are intended for the exclusive service of the Unit, the use and occupancy of which shall in each case be limited to such Unit.

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F. Description of Sites. Each Site shall consist of:

1. The area identified on the Map whereon a Unit is to be constructed.
2. All utility pipes or lines or systems, and fixtures or appliances connected or installed for the benefit thereof, servicing a single Site or connecting a single Site to a main or central utility, whether located within the bounds of the Site or not.
3. A Site Owner is responsible for the installation, construction and payment of all utilities and amenities associated with construction and building on a Site; including but not limited all costs associated with the sewer installation, water connections (including secondary water hookups), sprinkling systems, connection and hookup fees, landscaping, retaining walls, plumbing, electrical, road, pavement, asphalt, cement, building, and any other item normally associated with the construction or building of a Unit.
4. A Site Owner has the right to build a physical Unit in Country Oaks and to receive the benefit of the management services of the Country Oaks Condominium Management Committee relating to the administration, regulation, safety, supervision, maintenance, preservation, protection, upkeep, and repair of a Site.

4. STATEMENT OF PURPOSES, USE AND RESTRICTIONS.

A. Proposes. The purposes of the condominium property are to provide housing and recreational facilities for the Unit Owners and their respective families, tenants, guests and servants.

B. Restrictions on Use. The Units, Sites and common areas and facilities shall be used and occupied as follows:

1. No part of the condominium property shall be used for other than housing and the related common purposes for which the condominium property was designed. Each Unit and Site shall be used and occupied as a residence for a single family (and in the case of a Site, to build a Unit) and for no other purpose.
2. There shall be no obstruction of the common areas and facilities nor shall anything be stored in the common areas and facilities without the prior written consent of the management committee, except as is otherwise provided herein.
3. Nothing shall be done or kept in any Unit, Site or in the common areas and facilities which will increase the rates of insurance on the buildings or contents thereof beyond that customarily applicable for residential use, without the prior written consent of the management committee. No Unit or Site Owner shall permit anything to be done or kept in his Unit or Site or in the common areas and facilities which will result in the cancellation of insurance on any building, or the contents thereof, or which would be in violation of any law or regulation of any governmental authority. No waste shall be committed in the common areas and facilities.
4. No Unit or Site Owner shall cause or permit anything (including without limitation a sign, awning, canopy, shutter, storm door, screen door, radio or television antenna) to hang, be displayed or

otherwise affixed to or placed on the exterior walls or roof or any part thereof, or the outside of windows or doors, without the prior written consent of the management committee.

5. No animals or birds of any kind shall be raised, bred or kept in any Unit, Site or in the common areas and facilities, except that dogs, cats and other household pets may be kept in Units, subject to the rules adopted by the association of Unit Owners, provided that they are not kept, bred or maintained for any commercial purpose; and provided further that any such pet causing or creating a nuisance or disturbance shall be permanently removed from the condominium property upon ten days written notice from the management committee.

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6. No noxious or offensive activity shall be carried on in any Unit, Site or in the common areas and facilities, nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the other Unit Owners or occupants.

7. Nothing shall be done in any Unit, Site or in, on or to the common areas and facilities which will impair the structural integrity of the buildings or any part thereof, or which would structurally change the buildings or any part thereof, except as is otherwise provided herein.

8. No clothes, sheets, blankets, laundry of any kind or other articles shall be hung out or exposed on any part of the common areas and facilities except in a patio court in such manner as not to be visible except from the Unit for which such courtyard is reserved. The common areas and facilities shall be kept free and clear of all rubbish, debris and other unsightly materials.

9. Except in a patio court in such manner as not to be visible except from the Unit for which such court is reserved, or (subject to the rules) on driveways or in other areas specifically designed and intended for such purposes, there shall be no playing, lounging or parking or placing of baby carriages, playpens, bicycles, wagons, toys, vehicles, benches or chairs in or on any part of the common areas and facilities.

10. No industry, business, trade, occupation or profession of any kind, whether for commercial, religious, educational, charitable or other purposes shall be conducted, maintained, or permitted on any part of the condominium property, except such as may be permitted by the management committee and subject to the rules, nor shall any "For Sale" or "For Rent" signs or other window displays or advertising be maintained or permitted by any Unit or Site Owner on any part of the condominium property or in any Unit or Site therein, except that:

(i) Site Owners may perform or cause to be performed such work as is incident to the completion of their Unit;

(ii) the association of Unit Owners or the management committee or its agent or representative may place "For Sale" or "For Rent" signs on any Unit or on the condominium property for the purpose of facilitating the disposal of Units or Sites by any Unit or Site Owners, mortgagee or the association of Unit Owners; and

(iii) a Unit Owner with respect to a Unit, a Site Owner with respect to a Site, and the association of Unit Owners or management committee or its agent or representative with

respect to the common areas and facilities, may perform or cause to be performed any maintenance, repair or remodeling work, or other work, required or permitted by its Declaration.

5. OWNERSHIP AND USE.

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A. Ownership of a Site or Unit. Except with respect to any of the common areas and facilities located within the bounds of a Unit, each Unit and Site Owner shall be entitled to the exclusive Ownership and possession of his Unit and Site and Unit Owners to the Ownership of an undivided interest in the common areas and facilities in the percentage expressed in Appendix B hereof.

B. Prohibition Against Subdivision of a Unit. No Unit or Site Owner shall, by deed, plat, lease or otherwise, subdivide or in any manner cause his Unit or Site to be separated into tracts or parcels smaller than the whole Unit or Site as shown on the map.

C. Ownership of Common Areas and Facilities. The common areas and facilities shall be owned by the Unit Owners as tenants in common, and Ownership thereof shall remain undivided. No action for partition of any part of the common areas and facilities shall be maintainable, except as specifically provided in the Utah Condominium Ownership Act, nor may any Unit or Site Owner otherwise waive or release any rights in the common areas and facilities.

D. Use of Common Areas and Facilities. Except with respect to limited common areas, each Unit and Site Owner may use the common areas and facilities in accordance with the purposes for which they are intended, but subject to this Amended Declaration and the By-Laws, which right of use shall be appurtenant to and run with his Unit.

E. Interest in Common Areas and Facilities. The percentage of interest in the common areas and facilities of each Unit has been determined on the basis of size in accordance with the Utah Condominium Ownership Act, Sec. 57-8-7, U.C.A., which percentages are contained in Appendix B hereof. The square footage figures set forth in Appendix B include floor space of finished areas; unfinished basements and attics are not included. The size of additional Units built on Site shall be similarly determined in calculating the interest of all Units in the project's common areas and facilities. Any additional Units built on a Site must meet all the requirements relating to size, quality, location, etc., as set forth herein and on the map.

F. Use of Limited Common Areas and Facilities. A Unit Owner's use and occupancy of the limited common areas and facilities reserved for his Unit shall be subject to and in accordance with this Amended Declaration and the By-Laws. Each Unit Owner shall maintain the patio and/or balcony, garage and driveway, the use of which is reserved for his Unit. The association of Unit Owners shall maintain the remainder of the limited common areas and facilities.

6. AGENT FOR SERVICE OF PROCESS.

The name and address of the person in Davis County, State of Utah, appointed as the agent to receive service of process in matters pertaining to the property as provided under the Utah Condominium Ownership Act is:

Sharm Christensen
2531 East 1900 North
Layton, Utah 84040

The agent may be changed from time to time by the management committee filing

appropriate instruments.

7. PERCENTAGE OF OWNERSHIP AND VOTING RIGHTS.

The percentage of ownership by Unit Owners in the common areas and facilities of the condominium shall be for all purposes, including voting. Voting rights in the association are only held in connection with the Ownership of a Unit. The common expenses shall be allocated among the Unit Owners in accordance therewith. The percentage of ownership in the common areas and facilities shall be as set forth in Appendix B, provided, however, that the management committee shall have the right and authority to alter such percentage if and when Site Owners construct Units on their Sites, it being the intent that the aggregate percentage of ownership in the common areas and facilities of Units in all phases shall equal 100 percent.

8. EASEMENTS.

A. The management committee may hereafter grant easements for utility purposes for the benefit of the condominium property, including the right to install, lay, maintain, repair and replace water mains and pipes, sewer lines, gas mains, telephone wires and equipment, and electrical conduits and wires over, under, along, on and through any portion of the common areas and facilities.

B. An easement in favor of each Unit Owner is hereby established to permit such Owner to attach draperies, pictures, mirrors and like decorations and furnishings to the interior surfaces of the perimeter and interior walls and ceilings, consistent with rules and regulations established by the management committee.

C. Each Unit shall be subject to such easement as may be necessary for the installation, maintenance, repair or replacement of any common areas and facilities located within the boundaries of such Unit.

D. In the event that by reason of the construction, reconstruction, settlement or shifting of any building, any part of the common areas and facilities encroaches or shall thereby encroach upon any part of the common areas and facilities or any other Unit, valid easements for such encroachment are hereby established and shall exist for the benefit of such Unit and the common areas and facilities, as the case may be, so long as all or any part of the building containing any such Unit shall remain standing; provided, however, that in no event shall a valid easement for any encroachment be created in favor of any Unit Owner or in favor of the Unit Owners as Owners of the common areas and facilities if such encroachment occurred due to the willful conduct, negligent act or omission of such Unit Owner or Owners.

9. MANAGEMENT.

The business, property and affairs of Country Oaks Condominiums, including all subsequent phases, shall be managed by a management committee consisting of five members who are Unit Owners in the project to be elected as provided in the By-Laws. Such management committee shall have all the powers, duties and responsibilities as are now or may hereafter be provided by the Act, this Amended Declaration, the By-Laws and/or any amendments subsequently filed thereto; provided, however, that the management committee may engage the services of a professional manager and fix and pay a reasonable fee or compensation therefor.

The management committee shall be responsible for the control, operation and management of the project in accordance with the provisions of the Act, this Amended Declaration and such administrative, management and operation rules, and regulations as it may adopt from time to time as herein provided, and all agreements and determinations lawfully made and entered into by the committee.

The management committee shall have the authority to provide such facilities, in addition to those for which provision has already been made, as it may deem to be in the best interest of the Unit and Site Owners and to effect the necessary amendment of documents and maps in connection therewith.

The management committee shall be known by such name or designation as it, or the Unit Owners, at any meeting may assign.

10. CHANGE IN OWNERSHIP.

Whenever there is a change of Ownership of a residential Unit and its appurtenant rights, for whatever reason, the management committee or the manager may require as condition to recognizing the new Unit Owner or Owners as such, that the new Unit Owner or Owner furnish evidence substantiating the new Ownership.

11. ASSESSMENTS.

A. Every Unit Owner shall pay his proportionate share of the common expenses, which share shall be equal to the percentage of undivided interest in the common areas and facilities as set forth in Appendix B, as amended, from time to time as provided in paragraph 24 of this Declaration. Payment thereof shall be in such amounts and at such times as the management committee determines in accordance with the Act, the Declaration or the By-Laws. There shall be a lien for nonpayment of common expenses as provided by Utah Code Annotated, §57-8-20 (1953 as amended). The lien for nonpayment of common expenses may be enforced as provided therein and as provided in the By-Laws.

B. Every Site Owner shall pay a proportionate share of the expenses associated with the Ownership of a Site, which share shall be equal to 21.45% of the average amount paid by the Unit Owners as common expenses. This 21.45% share has been determined by reviewing the history of expenses at Country Oaks Condominiums related to the administration, management, regulation, safety, supervision, maintenance, preservation, protection, upkeep, or repair of a Site, and has been determined to be an amount reasonably related to the actual expenses incurred by the association as it relates to the Sites. No Site Owner may exempt himself from liability for his contribution towards expenses by waiver of the use or enjoyment of his Site or by the abandonment of his Site.

C. In any legal action brought by the Management Committee against any Unit Owner, Site Owner, tenant, lessee or lessor as a result of a violation of any provision of the Utah Code, the Declaration, the Bylaws, the House Rules or the Administrative Rules and Regulations, or if the Management Committee retains legal counsel or incurs any attorney's fees associated with or as a result of retaining legal counsel as a result of any such violation, then the Management Committee shall collect any and all attorney's fees as a common expense from the Unit Owner, Site Owner, tenant, lessee or lessor, jointly and severally, with or without judicial process, and shall be entitled to an award of attorney's fees in any action or judicial proceeding. A Unit Owner

shall be jointly liable for attorney's fees in any action brought against a tenant renting or leasing a Unit from a Unit Owner as a result of any violation by the Unit Owner's tenant. E 1036688 B 1617 P 846

D. In the event the Management Committee maintains, alters, repair, replaces, fixes or otherwise incurs expenses or costs in connection with the maintenance, repair, alteration or replacement of any portion of an Owner's Unit that is not part of the common area and facilities, the expense and cost of such service shall be charged to and collected from the Owner of the Unit. Such charges may result from but are not limited to the following situations: 1) The Management Committee determines after attempting to contact a Unit Owner, and contact is not successful or feasible, that maintenance, repairs, alterations, or replacement is necessary to prevent damage to the common areas and facilities or to another Unit or Units; 2) A tenant contacts the Management Committee and complains, requests or demands repair, replacement or alteration to property of the Unit that is not common area; 3) A Unit Owner fails within seven (7) days after written request from the Management Committee to make changes, modifications, repairs or alterations to bring the Owner's Unit in compliance with the Declaration, Bylaws, Regulations or Rules for Country Oaks Condominiums or to take necessary action to prevent damage to the common areas and facilities or to another Unit or Units.

Common area assessments are due on the first day of each month. Special assessments are due on the dates stated by the Management Committee. All assessments, whether special or common, if not paid within thirty (30) days of the date when due shall incur a late fee of \$10.00 for each and every thirty (30) day period the assessment or any portion thereof remains delinquent. All payments shall be first applied to late fees and then to the payment first due.

12. INSURANCE.

A. The management committee shall obtain and maintain at all times insurance of the type and kind as provided herein and including insurance for such other risks, of a similar or dissimilar nature, as are or shall hereby customarily be covered with respect to other properties similar to the property in construction, design and use. The management committee shall make every reasonable effort to obtain insurance with the following provisions or endorsements:

1. Exclusive authority to adjust losses shall be vested in the management committee as insurance trustee.
2. The insurance coverage shall not be brought into contribution with insurance purchased by individual Unit Owners or their respective mortgagees.
3. Each Unit and Site Owner may obtain additional insurance covering his real property interest at his own expense.
4. The insurer waives its right of subrogation as to any claims against each Unit Owner.
5. The insurance coverage cannot be cancelled, invalidated or suspended because of the conduct of any one or more individual Owners or their respective lessees, employees, agents, contractors and guests.
6. The insurance coverage cannot be cancelled, invalidated or suspended because of the conduct of any officer or employee of the association or management committee or their employees,

agents or contractors, without prior demand in writing that the management committee cure the defect, and then only if the defect is not cured within 15 days. E 1036688 B 1617 P 847

B. The management committee, for the benefit of the property and the Unit Owners, shall maintain a policy or policies of casualty and multi-risk "all peril" insurance on the property, with the provisions and endorsement as set forth in paragraph 12.A.1 above, if obtainable, also with extended coverage endorsements, for the full insurable replacement value of the Units, common areas and facilities, items of common personal property and fixtures, payable to the management committee as insurance trustee, to be disbursed in accordance with the terms of this Declaration. The limits and coverage of said insurance shall be reviewed at least annually by the management committee and shall include an appraisal of the property. Said policy or policies shall provide for a separate loss payable endorsement in favor of the mortgagee or mortgagees, if any, of each Unit.

C. The management committee shall obtain a policy or policies of insurance insuring the management committee, the Unit Owners and their respective lessees, servants, agents or guests against any liability to the public or to the Owners of Units, members of the households of Unit Owners and their respective invitee or tenants, incident to the Ownership and/or use of the property. Limits of liability under such insurance shall not be less than \$1,000,000 for any one person injured in any one occurrence, and shall not be less than \$100,000 for property damage in each occurrence. The limits in coverage of said liability policy or policies shall be issued on a comprehensive liability basis and, if possible, shall provide cross-liability endorsements for possible claims of any one or more or group of insureds against any one or more or group of insureds, without prejudice to the right of a named insured under the policies to maintain an action against another named insured.

D. Each Unit and Site Owner shall be required to notify the management committee of, and shall be liable for any increased insurance premium for insurance maintained by the management committee occasioned by, all improvements made by the Unit Owner to his Unit, the value of which is in excess of \$1,000. Each Unit and Site Owner shall bear the risk of loss for all improvements made to his Unit or Site that were not the subject of notice to the management committee.

E. Any Unit or Site Owner who obtains individual insurance coverage covering any portion of the property, other than personal property belonging to such Unit or Site Owners, shall be required to file a copy of such individual policy or policies with the management committee within 30 days after obtaining such insurance coverage.

F. No Unit or Site Owner shall be entitled to exercise his right to maintain insurance coverage in such a way as to decrease the amount that the management committee, on behalf of all of the Unit and Site Owners, may realize under any insurance policy that the management committee may have in force covering the property or any part thereof at any time.

13. DESTRUCTION OR DAMAGE.

In the event of damage to or destruction of part or all of the improvements in the condominium project, the following procedures shall apply:

A. If proceeds of the insurance maintained by the management committee are alone sufficient to repair or reconstruct the damaged or destroyed improvement, such repair or reconstruction shall be carried out.

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B. If less than 75 percent of the project's improvements are destroyed or subsequently damaged, and if proceeds of the insurance maintained by the committee are not alone sufficient to accomplish repair or reconstruction, restoration shall be carried out and all the Unit and Site Owners shall be assessed for any deficiency on the basis as provided in paragraph 11 above.

C. If 75 percent or more of the project's improvements are destroyed or substantially damaged, if proceeds of the insurance maintained by the management committee are not alone sufficient to accomplish restoration, and if the Unit Owners, within 100 days after the destruction or damage, by a vote of at least 75 percent, elect to repair or reconstruct the affected improvements, restoration shall be accomplished in the manner directed under paragraph B above.

D. If 75 percent or more of the project's improvements are destroyed or subsequently damaged, if proceeds of the insurance maintained by the committee are insufficient to accomplish restoration, and if the Unit Owners do not, within 100 days after the destruction or damage and by vote of at least 75 percent, elect to repair or reconstruct the affected improvements, the management committee shall promptly record with the Davis County Recorder a notice setting forth such facts. Upon the recording of such notice, the provisions of subsections (1) through (4) of §57-8-31, Utah Code Annotated (1953 as amended), shall apply and shall govern the rights of all parties having an interest in the project or any of the Units.

E. In the event of substantial damage to or destruction of any Unit or to 75 percent or more of the project's improvements, the mortgagee of any affected Unit, and all mortgagees in the event 75 percent of the project's improvements are damaged or destroyed, shall be given written notice within 30 days of such damage or destruction. No provision herein will entitle the Owner of an Unit or Site or other party to priority over such mortgagee with respect to the distribution to such Unit of any insurance proceeds.

F. Any reconstruction or repair which is required to be carried out by this paragraph 13 shall be accomplished at the instance and direction of the management committee. Any determination which is required to be made by paragraph 13 regarding the extent of damage to or destruction of project improvements shall be made as follows: The management committee shall select three MAI appraisers; each appraiser shall independently arrive at a figure representing the percentage of project improvements which have been destroyed or substantially damaged; the percentage which governs the application of the provisions of this paragraph 13 shall be the average of the three appraisal figures.

14. TERMINATION.

All of the Owners may remove the property from the provisions of the Act by an instrument duly recorded to that effect, provided that the holders of all liens affecting any of the Units consent or agree by instruments duly recorded that their liens be transferred to the percentage of the undivided interest of the Unit Owners in the property.

Upon removal of the property lien from the provisions of the Act, the Unit Owners shall own the

property and all assets of the association as tenants in common, and the respective mortgagees and lienors shall have mortgages and liens upon the respective undivided interests of the Unit Owners. Such undivided interests of the Unit Owners shall be the same as the percentage of undivided interest in the common areas and facilities appurtenant to the Owner's Units prior to removal from the Act.

15. EMINENT DOMAIN.

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Insofar as not inconsistent with §57-8-32.5, Utah Code Annotated, the following shall apply:

A. Whenever any proceeding is instituted that could result in the temporary or permanent taking, injury or destruction of all or part of the common areas and facilities or one or more Units or portions thereof by the exercise of the power of or power in the nature of eminent domain or by an action or deed in lieu of condemnation, the management committee and each Unit and Site Owner and each mortgagee of affected Units and Sites shall be entitled to notice thereof, which notice shall be provided by the management committee, and the management committee shall act as agent for each Unit and Site Owner, except for those Unit and Site Owners who at their respective expense participate in the proceedings incident thereto. No provision herein will entitle the Owner of a Unit or other party to priority over a mortgagee of such Unit with respect to the distribution to such Unit of the proceeds of any award or settlement.

B. With respect to common areas and facilities, any damages or awards shall be determined for such taking, injury or destruction as a whole and not for each Unit Owner's interest therein. After such determination, each Unit Owner shall be entitled to a share in the damages in the same proportion as his percentage of undivided interest of the common areas and facilities. This provision does not prohibit a majority of Unit Owners from authorizing the management committee to use such damages or awards for replacing or restoring the common areas and facilities so taken on the remaining land or on other acquired land, provided that this Amended Declaration and map are duly amended.

C. With respect to one or more Units or portions thereof, the damages or awards for such taking shall be deemed to be proceeds from insurance on account of damage or destruction pursuant to paragraph 13 hereof and shall be deposited with the management committee as trustee. Even though the damage or awards may be payable to one or more Unit Owners, the Unit Owners shall deposit the damages or awards with the management committee as trustee, and in the event of failure to do so, at the option of the management committee, either a special assessment shall be made against a defaulting Unit Owner of a Unit in the amount of this award, or the amount of such award shall be set off against the sums hereafter made payable to such Unit Owner. The proceeds of the damages or awards shall be distributed or used in a manner, and the Unit Owners of affected Units shall have the rights, provided in paragraph 13 for insurance proceeds, provided the property is removed from the provisions of the Act. If the property is not removed from the provisions of the Act and one or more Units are taken, in whole or in part, the taking shall have the following effects:

1. If the taking reduces the size of a Unit and the remaining portion of the Unit may be made tenantable, the Unit shall be made tenantable. If the cost of such work exceeds the amount of the award, the additional funds required shall be assessed against the Owner of the Unit. The balance

of the award, if any, shall be distributed to the Unit to the extent of the unpaid balance of its mortgage, and the excess, if any, shall be distributed to the Unit Owner. If there is a balance of the award distributed to the Unit Owner or a mortgagee, the Unit Owner's percentage of undivided interest in the common areas and facilities shall be equitably reduced. This shall be done by reducing such interest in the proportion by which the floor area of the Unit is reduced by the taking, and then recomputing the percentages of undivided interests of all Unit Owners in the common areas and facilities.

2. If the taking destroys or so reduces the size of a Unit that it cannot be made tenable, the award shall be paid to the mortgagee of the Unit to the extent of the unpaid balance of its mortgage, and the excess, if any, shall be paid to the Unit Owner, whereupon the Unit Owner shall cease to be a member of the association of Unit Owners. The remaining portion of such Unit, if any, shall become a part of the common areas and facilities and shall be placed in condition for use by all Unit Owners in the manner approved by the management committee. If the cost of such work shall exceed the balance of the fund from the award for the taking, such work shall be done only if approved by a majority of the Unit Owners. The percentages of undivided interests in the common areas and facilities appurtenant to the Units that continue as a part of the property shall be equitably adjusted to distribute the Ownership of the common areas and facilities among the reduced number of Units Owners, and the management committee shall file an amendment to the Declaration and map to reflect the changes in the property and the percentages of undivided interest of the remaining Units. The management committee is authorized to record such amendment without approval of the association of Unit Owners.

16. MORTGAGE PROTECTION.

A. The term "mortgage" as used herein shall mean any recorded mortgage having priority over other mortgages and shall include a recorded deed of trust. The term "mortgagee" shall mean the Owner and holder of a mortgage and shall include a beneficiary under a deed of trust.

B. The management committee shall maintain a roster of Unit Owners from the evidence of change of Ownership furnished to the management committee, which roster shall include the mailing addresses of Unit Owners. If the management committee has been given notice of the necessary information, the management committee shall maintain another roster which shall contain the name and address of each mortgagee of a Unit. Each notice shall consist of a certified copy of the recorded instrument evidencing the title of the mortgagee. The mortgagee shall be stricken from the roster upon receipt by a management committee of a request from the mortgagee or of a certified copy of a recorded release of satisfaction of the mortgagee unless the removal is requested by the mortgagee.

C. Any mortgagee on any Unit is entitled to written notification from the management committee of any default by the mortgagor's obligation under the Declaration which is not cured within 30 days.

D. Any institutional holder of a first mortgage on a Unit shall, upon prior written request, be entitled to (a) inspect the books and records of the association of Unit Owners, (b) receive an annual financial statement of the project within 90 days following the end of any fiscal year of the association of Unit Owners,

and (c) receive a copy of the minutes of any meeting of the association of Unit Owners.

E. A mortgagee of any Unit who comes into possession of the Unit pursuant to the remedies provided in the mortgage, foreclosure of mortgage, or deed (or assignment) in lieu of foreclosure, shall take the property, free of any claims or unpaid assessments or charges against the mortgaged Unit which accrued prior to the time such mortgagee comes into the possession of the Unit (except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessment or charges to all Units, including the mortgaged Unit).

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F. The liens created under the Act or pursuant to this Amended Declaration or By-Laws upon any Unit shall be subject and subordinate to, and shall not affect the rights of a mortgagee upon such interest made in good faith and for value, provided that after the foreclosure sale, a lien may be created for non-payment of common expenses on the interest of the purchaser at the foreclosure sale to secure all common expense assessments assessed hereunder to such purchaser as an Owner after the date of such foreclosure sale, which said liens, if any claimed, shall have the same effect and be enforced in the same manner as provided herein.

G. No amendment to this paragraph shall affect the rights of a mortgagee recorded prior to the recordation of any such amendment not otherwise entitled thereto.

17. CONSTRUCTION OF NEW UNITS BY SITE OWNERS

A. Construction by Site Owners. Prior to such time as a Site Owner begins to perform any work of any nature relating to the building of a physical condominium Unit on a Site, the Site Owner shall comply with the following requirements:

1. Submission of Plans: The Site Owner shall submit to the management committee all plans, buildings permits, drawings, surveys, papers and writings relating to the proposed construction, landscaping (including retaining walls) and drainage. These documents must be reviewed and approved by the management committee prior to beginning construction.

2. Bond: The Site Owner shall obtain an acceptable corporate surety bond, approved by the management committee in an amount and on terms as determined by the management committee sufficient to: 1) cover damage to any of the common area at Country Oaks during construction; 2) guaranteeing satisfactory completion by the contractor of all improvements made in connection with the construction; 3) adequately indemnifying Country Oaks against loss, including court costs and attorney's fees, in the event of a Site Owner's or contractor's failure or refusal to complete the improvements or construction; 4) cover any defects or items in need of repair, completion or replacement relating to the newly constructed Unit and the common area or amenities built, installed, repaired, connected, joined or attached as part of the Unit for a period of two years after completion of construction, including but not limited to coverage of the following: painting, cement work, roofing, leaks, plumbing, foundation, columns, girders, beams, supports, main walls, exterior walkways, parking areas, yards, gardens, fences, all installations of power, light and other utilities, drainage, sewer and water (including secondary water) connections, and all other items which are part of the common area.

3. The Site Owner shall comply with all the requirements of this Amended Declaration and the maps relating to uniformity, workmanship, size, style, architecture, and quality of construction. All construction shall be subject to inspection by an engineer, building inspector or qualified individual retained by the management committee at the expense of the Site Owner to inspect the Unit for quality and uniformity consistent with the other buildings at Country Oaks, using Phase I as the standard as it relates to the type and quality of materials used. The new Units shall be built with the same percentage of brick used on the exterior of the buildings as was used in the Phase I construction.

4. A Site shall be deemed a Unit, for all purposes, including payment of common expenses and voting, 60 days after the management committee approves the plans identified in paragraph 17(A)(1) above. The Site Owner shall be responsible for the planting, installation and improvement of the common area immediately surrounding the Unit built by the Site Owner so as to bring the new Unit into a state of landscaping consistent with the other Units existing at Country Oaks, including but not limited to flowers, shrubs, lawn, proper drainage and sprinkler system. All landscaping must be completed within 180 days after approval of the the plans by the management committee or the bond shall be forfeited.

18. CONVEYANCES, EASEMENTS.

A. Every deed, lease, mortgage or other instrument may describe a Unit or Site by its identifying number and letter. Every such description shall be deemed good and sufficient for all purposes and shall be deemed to convey, transfer, encumber or otherwise affect the Unit Owner's corresponding percentage of undivided Ownership in the common areas and facilities, as a tenant in common, as set forth in Appendix B, even though the same is not exactly mentioned or described.

B. Every deed, lease, mortgage or other similar instrument shall be deemed to:

1. Except and reserve with respect to a Unit or Site: (i) any portion of the common areas and facilities lying within said Unit; (ii) easements through said Unit, appurtenant to the common areas and facilities and all other Units, for support and repair of the common areas and facilities and all other Units; and (iii) easements appurtenant to the common areas and facilities for encroachment upon the air space of said Unit by those portions of the common areas and facilities located within said Unit.

2. Include with respect to a Unit non-exclusive easements for ingress and support of said Unit through the common areas and facilities, for the repair of said Unit through all other Units and through the common areas and facilities, and for the use of the balcony, patio, storage areas and parking spaces.

3. Except and reserve, with respect to the undivided percentage interest in the common areas and facilities, non-exclusive easements appurtenant to all Units for ingress, egress, support and repair and exclusive easements appurtenant to each Unit for the use of the balcony, patio, storage areas and parking spaces.

4. Include, with respect to the undivided percentage interest in the common areas and facilities, non-exclusive easements throughout each Unit for support and repair of the common areas and facilities and non-exclusive easements for encroachment upon the air space of all of the Units by

and for the portions of the common areas and facilities lying within the Units.

19. MAINTENANCE OF UNITS.

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Each Unit Owner, at his own expense, shall keep the interior of his Unit and its equipment and appurtenances in good order, condition and repair, and in a clean and sanitary condition, and shall do all redecorating and painting which may at any time be necessary to maintain the good appearance of his Unit. Except to the extent that the management committee is protected by insurance against such injury, the Unit Owner shall repair all injury or damages to the Unit, or condominium project caused by the act, negligence or carelessness of the Unit Owner or that of any lessee or sublessee or any member of the Unit Owner's family or of the family of any lessee or sublessee, and all such repairs, redecorating and painting shall be of a quality and kind equal to the original work. In addition to decorating and keeping the interior of the Unit in good repair, the Unit Owner shall be responsible for the maintenance or replacement of any plumbing, fixtures, refrigerators, air conditioning and heating equipment, dishwashers, disposals, ranges, etc., that may be in or connected with the Unit. The management committee shall be responsible for maintenance and upkeep of all conduits, ducts, plumbing and wiring and other facilities for the furnishing of heat, gas, light, power, air conditioning, water and sewer contained in the portions of the Units that service part or parts of the property other than the Unit in which they are contained. Without the written permission of the management committee first had and obtained, the Unit Owner shall not make or permit to be made any structural alteration, improvement or addition in or to the Unit, patios, balconies, garages, or in or to the exterior of the building, and shall not paint or decorate any portion of the exterior of the building in which his Unit is located.

20. RIGHT OF ENTRY.

The management committee and its duly authorized agents shall have the right to enter any and all of the Units in case of an emergency originating in or threatening such Unit or any other part of the project, whether or not the Unit Owner or occupant thereof is present at the time. The committee and its duly authorized agents shall also have the right to enter into any and all of said Units at all reasonable times as required for the purpose of making necessary repairs upon the common areas and facilities of the project or the purpose of performing emergency installations, alterations or repairs to the mechanical or electrical devices or installations located therein or thereon; provided, however, such emergency installations, alterations or repairs are necessary to prevent damage or threatened damage to other Units in the project; and provided further that the Unit Owner affected by such entry shall first be notified thereof if available and if time permits.

21. ADMINISTRATIVE RULES AND REGULATIONS.

The management committee shall have the power to adopt and establish by resolution such building management and operational rules as it may deem necessary for the maintenance, operation, management and control of the project, and the committee may, from time to time by resolution, alter, amend and repeal such rules. When a copy of any amendment or alteration or provision for repeal of any rule or rules has been furnished to the Unit Owners, such amendment or alteration or provision for repeal of any rule or rules has been furnished to the Unit Owners, such amendment, alteration and provision shall be taken to be a part of such rules. Unit and Site Owners shall at all times obey such rules and see that they are faithfully observed by

those persons over whom they have or may exercise control and supervision, it being understood that such rules shall apply and be binding upon all Unit and Site Owners and/or occupants of the condominium.

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22. OBLIGATION OF COMPLIANCE.

Each Unit and Site Owner, tenant or occupant of a Unit shall comply with the provisions of the Act, this Declaration, the By-Laws, and the rules and regulations, all agreements and determinations lawfully made and/or entered into by the management committee or the Unit Owners, when acting in accordance with their authority, and any failure to comply with any of the provisions thereof shall be grounds for an action by the management committee to recover any loss or damage resulting therefrom or injunctive relief.

23. INDEMNIFICATION OF MANAGEMENT COMMITTEE.

Each member of the management committee shall be indemnified and held harmless by the Unit and Site Owners against all costs, expenses and liabilities whatsoever, including without limitation attorney's fees reasonably incurred by him involved by reason of his being or having been a member of said committee, except in such cases wherein the member of the management committee is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties.

24. EXPANSION OF THE CONDOMINIUM PROJECT.

A. No Expansion. The condominium project shall not be expanded.

B. Declaration Operative on Units and on Sites. The Units and Sites described or referred to herein shall be subject to all the terms and conditions of this Amended Declaration and the Units and Sites herein are subject to Ownership with all the incidents pertaining thereto as specified herein.

The additional Units shall be of the same general type and of comparable quality in construction as the Units currently built. New Units shall be of similar architecture, materials, size and type so as to complement the existing Units and in accordance with the drawings contained on the map. New Units shall be located as identified on the map. Limited common areas and facilities created with the new Units shall be similar to the existing Units.

C. Right of Management Committee to Adjust Percentages of Common Areas. Each deed of a Unit shall be deemed to reserve to the Management Committee the power to appoint to a Unit Owner, from time to time, the percentages in the common areas. A power coupled with an interest is hereby granted to the Management Committee, as attorney in fact, to shift percentages of the common areas and facilities in accordance with the size of the newly built Unit relative to the existing Units and each deed of a Unit in the project shall be deemed a grant of such power of said attorney in fact. Various provisions of this Amended Declaration and deeds and mortgages of the Units may contain clauses designed to accomplish a shifting of the common areas. None of said provisions shall invalidate the other, but each shall be deemed supplementary to the other toward the end that a valid shifting of the common areas and facilities can be accomplished. Each Unit Owner in this project shall have a minimum interest in the common areas of at least one percent (1.00%) after all Units in this project have been built.

All conveyances of Units after a Unit is built on a Site shall be effected to transfer rights in the project, by references to the Amended Declaration. The recordation in the office of the Davis County Recorder,

Farmington, Utah, of a deed incident to any Unit after it is constructed shall operate automatically to reduce, pro tanto, the percentage of interest in the condominium property as to Owners of existing Units and to grant and convey to the Owner of a Site on which a Unit was built a percentage of interest in the condominium property as stated in attachment "B". All phases will be assigned values on the same basis so that substantially identical Units in all phases will be awarded substantially identical interests in the common areas. Such recordation shall also operate to vest in any then mortgagee of any Unit in the project as it exists such interest so acquired by the Owner of the Unit encumbering the common areas in the project as a result of the Unit being built, and to conform the percentage interests of Unit Owners and mortgagees to the interests set forth in this Amended Declaration.

25. AMENDMENT.

The Unit Owners shall have the right to amend this Amended Declaration and/or the map upon the approval and consent of Unit Owners representing not less than two-thirds of the undivided interests in the common areas and facilities. Any amendment shall be accomplished by the recordation of an instrument wherein the management committee certifies that the Unit Owners representing at least two-thirds of the undivided interests in the common areas and facilities have approved and consented to any such amendment.

26. VOTING.

At any meeting of the association of Unit Owners, each Unit Owner, either in person or by proxy, shall be entitled to the same number of votes as the percentage of undivided interest of the common areas and facilities assigned to his Unit in Appendix B, as amended. If there is more than one Unit Owner with respect to a particular Unit, any or all of such Unit Owners may attend any meeting of the association, but it shall be necessary for all such Unit Owners present to act unanimously in order to cast the votes pertaining to their Unit.

27. NOTICES.

Any notice permitted or required to be delivered as provided herein may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to be delivered 24 hours after a copy of the same has been deposited in the U.S. Mail, postage prepaid, return receipt requested. Notice to Unit and Site Owners shall be addressed to each Unit and Site Owner at the address given by such Unit or Site Owner to the management committee for the purpose of service of such notice or to the Unit of such Unit Owner if no such address has been given to the management committee. If no address is provided by a Unit or Site Owner to the management committee, the management committee shall not be liable for any lack of notice to the Unit or Site Owner who fails to provide a current address. Such address may be changed from time to time by notice in writing to the management committee. Notice to the management committee shall be addressed to: Management Committee, Country Oaks Condominium, Association of Unit Owners, 1920 North 2550 East, Layton, Utah 84040.

28. NO WAIVER.

The failure of the management committee or its contractors to insist, in one or more instances, upon the strict performance of any of the terms, covenants, conditions or restrictions of this Amended

Declaration or the By-Laws, or to exercise any right or option herein contained, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment for the future such term, covenant, condition or restriction; but such term, covenant, condition or restriction shall remain in full force and effect. The receipt and acceptance by the management committee or its contractor of the payment of any assessment from a Unit Owner, with knowledge of the breach of any covenant hereof, shall not be deemed a waiver of such breach, and no waiver by the management committee of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the management committee.

29. SEVERABILITY.

The invalidity of any one or more phrases, sentences, clauses, paragraphs or sections hereof shall not affect the remaining portions of this instrument or any part thereof, all of which are inserted conditionally on their being held valid in law, and in the event that one or more of the phrases, sentences, clauses, paragraphs or sections contained herein should be invalid or should operate to render this agreement invalid, this instrument shall be construed as if such invalid phrase, or phrases, sentence or sentences, clause or clauses, paragraph or paragraphs, section or sections, has not been inserted.

30. GENDER.

The singular, wherever used herein, shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

31. TOPICAL HEADINGS.

The topical headings of the paragraphs contained in the Declaration are for convenience only and do not define, limit or construe the contents of the paragraphs or of the Declaration are for convenience only and do not define, limit or construe the contents of the paragraphs or of the Declaration.

32. EFFECTIVE DATE.

This Declaration shall take effect upon recording.

IN WITNESS WHEREOF, the undersigned, members of the Country Oaks Condominium Management Committee, hereby certify that condominium Unit Owners holding 100% of the undivided Ownership interest in the common areas and facilities have voted to approve this Amended Declaration.

Dated this 21 day of May 1993.

Thomas P. [Signature]

Michael R. [Signature]

Martha S. [Signature]

[Signature]

Neeraj W. [Signature]

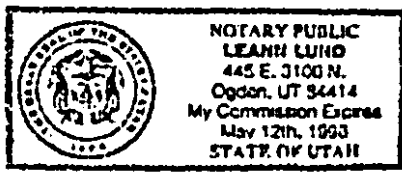
STATE OF UTAH)
) : ss.
COUNTY OF DAVIS)

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On the 21st day of July, 1993, personally appeared before me Sharm
Christensen, Mark Hulek, Martha S. VanSickle, Harley
Morrison, Dennis Perka who being duly sworn, did say they were members of the Country

Oaks Condominium Management Committee and that the within and foregoing instrument was signed on behalf of said management committee by authority of the management committee and duly acknowledged to me that they are the signers of the above instrument.

Leann Lund
NOTARY PUBLIC



LAND DESCRIPTION FOR
COUNTRY OAKS CONDOMINIUMS

Beginning at a point which is South 89°49'30" West 2021.10 feet along the Section line, and South 555.18 feet from the Northeast corner of Section 14, Township 4 North, Range 1 West, Salt Lake Base and Meridian; thence North 79° East 199.357 feet; thence North 27° West 29.578 feet; thence North 74° East 132.439 feet; thence South 27° East 190.318 feet; thence South 63° West 100.0 feet; thence South 26°07'40" West 75.0 feet; thence North 27° West 111.312 feet; thence South 79° West 218.74 feet; thence North 11° West 122.0 feet to the point of beginning. Containing 1.3408 acres. (Known as Phase One)

TOGETHER WITH: Part of the Northeast quarter of Section 14, Township 4 North, Range 1 West, Salt Lake Base and Meridian, beginning at a point located East 1161.13 feet and South 510.39 feet from the North quarter corner of Section 14, Township 4 North, Range 1 West, Salt Lake Base and Meridian, thence North 16° West 137.00 feet; thence South 74° West 137.56 feet; thence North 16° West 92.00 feet; thence South 74° West 173.30 feet; thence South 16° East 107.00 feet; thence North 74° East 111.00 feet; thence South 27° East 190.32 feet; thence North 63° East 25.39 feet; thence North 25° West 60.73 feet; thence North 74° East 148.12 feet to the point of beginning. Contains 1.038 acres. (Known as Phase Three)

TOGETHER WITH: Part of the Northeast quarter of Section 14, Township 4 North, Range 1 West, Salt Lake Base and Meridian, beginning at a point located North 89°49'30" East 611.13 feet and South 555.18 feet from the North quarter corner of said Section 14, thence North 79° East 199.36 feet; thence North 27° West 100 feet; thence North 11° West 145.87 feet; thence South 79° West 200 feet; thence South 11° East 112 feet; thence South 79° West 92.44 feet; thence South 11° East 130 feet; thence North 79° East 120.64 feet to the point of beginning. Contains 1.42 acres. (Known as Phase Two).

TOGETHER WITH: Part of the Northeast quarter of Section 14, Township 4 North, Range 1 West, Salt Lake Base and Meridian, beginning at a point located East 1161.13 feet and South 510.39 feet from the North quarter corner of said Section 14, thence North 16° West 137 feet; thence South 74° West 137.56 feet; thence North 16° West 92 feet; thence North 74° East 187.56 feet; thence South 16° East 248.40 feet; thence North 84°47'37" West 53.63 feet to the point of beginning. (Known as Phase Four).

TOGETHER WITH: Part of the North 1/2 of Section 14, Township 4 North Range 1 West, Salt Lake Base and Meridian. U.S. Survey: Beginning at a point located 1049.94 feet East and 304.04 feet South from the North 1/4 corner of said Section 14; running thence North 10° East 200.0 feet; thence South 80° East 122.68 feet; thence South 27° East 167.76 feet; thence South 13° East 210.0 feet; thence South 74° West 118.96 feet; thence North 16° West 248.40 feet; and thence 74° West 100.0 feet to the point of beginning. Contains 1.32 acres. (known as Phase Five).

TOGETHER WITH: Beginning at a point located 784.17 feet South and 623.65 feet East from the North quarter corner of Section 14, Township 4 North, Range 1 West; Salt Lake Base and Meridian; running thence North 79° East 281.18 feet to the South corner of Country Oaks Condominiums, Phase I; thence North 27° West 111.31 feet; thence South 79° West 218.74 feet; thence North 11° West 30.00 feet; thence South 79° West 30.00 feet; thence South 11° East 36.07 feet; thence South 10° East 100.95 feet to the point of beginning. (known as Phase Six)

TOGETHER WITH: Beginning at a point 776.63 feet East and 72.25 feet South from the North quarter corner, Section 14, Township 4 North, Range 1 West, Salt Lake Base and Meridian, running thence S 33°33'00" East 310.00 feet, thence South 10°00' 00" West 200.00 feet, thence South 74°00'00" West 260.86 feet, thence South 16°00'00" East 107.00 feet, thence South 74°00'00" West 36.71 feet, thence North 27°00'00" West 70.42 feet, thence North 11°00'00" West 145.87 feet, thence North 11°30'54" East 215.22 feet to the point of beginning (Known as Phase 7-1).

TOGETHER WITH: Beginning at a point 776.63 feet East and 72.25 feet from the North 1/4 corner of Section 14, Township 4 North, Range 1 West, Salt Lake Base and Meridian, running thence North 83°33'00" West 200.00 feet thence South 80°40'00" West 160.00 feet, thence South 36°00'00" West 240.00 feet, thence South 279.66 feet, thence South 88°02'57" East 210.06 feet, thence North 11°00'00" West 110.00 feet, thence North 79°00'00" East 92.44 feet, thence North 11°00'00" West 112.00 feet, thence North 79°00'00" East 200.00 feet and thence North 11°30'54" East 215.22 feet. (Known as Phase 7-2).

TOGETHER WITH: Beginning at a point 540.00 South 0°10'00" West along the quarter section line from the North 1/4 corner, Section 14, Township 4 North, Range 1 West, Salt Lake Base and Meridian, continuing along said quarter section line 250.19 feet to the North of Lot 218, Country Oaks Subdivision No. 2., thence South 66°00'00" East 105.99 along said North of Lot 218, thence South 72°30'00" East 34.81 feet, said point being 843.77 feet South and 127.72 feet East from said North quarter of Section 14, thence North 13°00' East 155.25 feet, thence North 89°00' East 443.54 feet, thence North 11°00'00" West 36.07 feet, thence North 79°00'00" East 30.00 feet, thence North 11°00'00" West 92.00 feet, thence South 79°00'00" West 120.64 feet, thence North 11°00'00" West 20.00 feet, thence North 83°02'57" West 490.74 feet to the point of beginning. (Known as Phase 7-3).

TOGETHER WITH: Beginning at a point located 843.17 feet South and 127.72 feet East of the North quarter corner of Section 14, Township 4 North, Range 1 West, Salt Lake Base and Meridian, running thence South 72°30' East 248.81 feet along the North line of Country Oaks Subdivision, Phase 6; thence North 230.00 feet along the West line of said Subdivision thence South 89° West 203.54 feet, South 13° West 155.25 feet to the point of beginning.

**APPENDIX B
COUNTRY OAKS CONDOMINIUMS.**

PHASE ONE

<u>Unit No.</u>	<u>Size in Sq. Ft.</u>	<u>Undivided Interest in Common Areas</u>
1A	1650	1.593
1B	1740	1.687
1C	1680	1.421
1D	1475	1.421
2A	1650	1.593
2B	1500	1.447
2C	1500	1.447
2D	<u>1650</u>	<u>1.597</u>

PHASE TWOUnit No.

1	1364	1.314
2	1364	1.314
3	1491	1.437
4	1491	1.437
5	1491	1.437
6	1491	1.437
7	1491	1.437
8	1491	1.437
9	1524	1.469
10	<u>1524</u>	<u>1.469</u>

PHASE THREEUnit No.

1	1519	1.464
2	1519	1.464
3	1519	1.464
4	1519	1.464
5	1519	1.464
6	1163	1.121
7	1163	1.121
8	<u>1163</u>	<u>1.121</u>

PHASE FOUR

E 1036688 B 1617 P 861

Unit No.

1	1524	1.469
2	1524	1.469
3	<u>1524</u>	<u>1.469</u>

PHASE FIVE

Unit No.

1	1440	1.388
2	1440	1.388
3	1440	1.388
4	1440	1.388
5	1440	1.388
6	1440	1.388
7	1440	1.388
8	1410	1.359
9	<u>1410</u>	<u>1.359</u>

PHASE SIX

Unit No.

1	1524	1.469
2	1524	1.469
3	1524	1.469
4	1524	1.469
5	<u>1524</u>	<u>1.469</u>

PHASE SEVEN-1

Unit No.

1	1440	1.388
2	1440	1.388
3	1440	1.388
4	1440	1.388
5	1440	1.388
6	1440	1.388
7	1440	1.388
8	1440	1.388
9	1410	1.359
10	1410	1.359

11	1440	1.359
12	1440	1.388
13	<u>1440</u>	<u>1.388</u>

PHASE SEVEN-2

Unit No.

1	1440	1.388
2	1440	1.388
3	1440	1.388
4	1440	1.388
5	1440	1.388
6	1410	1.359
7	1410	1.359
17	1440	1.388
18	1440	1.388
19	1410	1.359
20	1410	1.359
21	1410	1.356
22	1410	1.359
23	1410	1.359
24	<u>1410</u>	<u>1.359</u>

TOTAL

100.00