



ENT 68347:2016 PG 1 of 45  
JEFFERY SMITH  
UTAH COUNTY RECORDER  
2016 Jul 26 11:31 am FEE 154.00 BY VM  
RECORDED FOR LEHI CITY CORPORATION

**MASTER DECLARATION  
OF  
COVENANTS, CONDITIONS, AND  
RESTRICTIONS  
FOR  
LEHI GATEWAY**

**RECEIVED**  
JUN 30 2016  
**LEHI CITY**

**MASTER DECLARATION  
OF  
COVENANTS, CONDITIONS, AND RESTRICTIONS  
FOR  
LEHI GATEWAY**

THIS MASTER DECLARATION OF EASEMENTS, COVENANTS AND RESTRICTIONS FOR THE LEHI GATEWAY is made this \_\_\_\_ day \_\_\_\_\_ of 2016, by EDGE GATEWAY, LLC, a Utah limited liability company ("Declarant"), in contemplation of the following facts and circumstances:

A. Declarant is the owner of certain real property (the "Property"), located in Utah County, State of Utah and more particularly described on Exhibit "A" which is attached hereto and incorporated herein by this reference.

B. The Property, is being commonly developed as part of a master planned common interest community known as the LEHI GATEWAY (an association of two subordinate common interest communities) and may from time to time be referred to herein as the "Project."

C. Declarant intends to preserve the right to supplement this Declaration from time to time, in the discretion of Declarant, to formally include additional real property within the Project and to cause such additional property to become subject to the terms and conditions of this Declaration.

NOW, THEREFORE, Declarant does hereby declare that the Property, as defined and described herein, shall be held, sold, conveyed, transferred, leased, subleased, used and occupied subject to the easements, covenants, conditions and restrictions set forth herein and which easements, covenants, conditions and restrictions shall run with the Property and all portions thereof and shall be binding upon all parties having or acquiring any right, title or interest in and to all or any portion of the Property, and the respective heirs, successors and assigns of such parties.

**ARTICLE I  
Definitions**

1.1. Defined Terms. Unless the context clearly indicates otherwise, certain terms used in this Declaration shall have the meanings set forth in this Article 1. In this Declaration, unless the context requires otherwise, the masculine, feminine and neuter genders and the singular and the plural shall be deemed to include one another, as appropriate.

1.2. Architectural Control Committee shall mean the committee established and defined in Article 8.

1.3. Articles shall mean the Articles of Incorporation of Lehi Gateway Master Homeowners Association, Inc., a Utah nonprofit corporation prepared and filed for the formation of the Master in accordance with the requirements of applicable laws and regulations of the State of Utah.

1.4. Assessments shall mean General Assessments, Supplemental Assessments and Reimbursement Assessments.

1.5. Association shall mean Lehi Gateway Master Homeowners Association, Inc.

1.6 Board shall mean the governing board which shall be responsible for the management of the affairs of the Master.

1.7 Building shall mean a residential structure built on any portion of the Project for permanent use, including, but not limited to, residential and townhome buildings and Condominium Units, Building shall not mean the commercial building located on the Commercial Parcel as identified on the Plat(s) of the Project.

1.8. Bylaws shall mean the written procedures, if any, adopted for the regulation or management of the affairs of the Master which may from time to time be adopted by the Board, a copy of which is attached hereto as Exhibit B.

1.9. Commercial Parcel shall mean a Parcel designated on the Plat for commercial development.

1.10. Common Expenses shall mean any and all costs and expenses incurred by the Master in the performance and preservation of the rights, duties and obligations of the Master, including, by way of explanation but not by way of limitation, (1) the ownership, operation and/or maintenance of the Maintenance Areas and Common Facilities, (ii) the costs and expenses associated with the existence of the Master, and (iii) a reasonable contingency reserve, surplus and/or sinking fund.

1.11. Common Facilities shall mean all improvements located upon the Maintenance Areas, including, without limitation: roadways; swimming pool; club house; sport court; playgrounds/tot-lots and picnic areas; sidewalks and pathways; curbing and gutters; storm and waste water collection and drainage systems; asphalt paving; sprinkler and irrigation systems; community-wide landscaping and open space; decorative water features, if any; trails; community-wide and perimeter fencing; Project signs used for the entire Project and not exclusively for any specific Building or Occupant; and safety, decorative or other lighting for parking and sidewalks, but excluding any exterior decorative or other lighting used to illuminate any Building or parking areas related to such Building. Common Facilities shall also include any and all equipment which shall be leased, owned or used by the Master in the ownership, operation and maintenance of the Project.

1.12. Declarant shall mean EDGE GATEWAY, LLC, a Utah limited liability company.

1.13. Declaration shall mean this Master Declaration of Easements, Covenants and Restrictions for the LEHI GATEWAY.

1.14. Design Standards shall mean any standards and procedures, whether written or unwritten, which may be adopted by the Architectural Control Committee whether formally or otherwise, pursuant to Article VIII hereof.

1.15. Easement or Easements shall mean any easement or, as the context shall require, all easements (i) granted pursuant to the provisions of this Declaration, (ii) set forth on the Plat, or (iii) to which the Property is subject pursuant to documents which have been or will be recorded with the Utah County Recorder, State of Utah.

1.17. General Assessments shall mean the share of the Common Expenses which is to be paid by each Owner or Sub-Association pursuant to Article 6 hereof.

1.18. Improvements shall mean and include all Buildings and other improvements made to or constructed upon any portion of the Property and shall include, by way of explanation and not by way of limitation, all Buildings, driveways, sidewalks, parking areas, parking structures, curb, gutters, Landscaping, retaining walls, signs, utilities, exterior lighting and exterior signs.

1.19. Interest Rate shall mean that rate of interest which shall be determined in accordance with the provisions of Article VI and which shall be required to be paid in accordance with the provisions of this Declaration or any resolution or policy adopted by the Board.

1.20. Maintenance Areas shall mean all areas within the Project which have been, from time to time, formally designated as areas to be used in common as designated on the Plat, and which areas the Master shall be responsible to maintain in accordance with the provision of this Declaration, and may include, by way of illustration and not limitation, storm water detention facilities, community sidewalks, pathways and trails, roadways, landscaped portions of roadways, community-wide open space and landscaped areas, and other community facilities and improvements that enhance the overall value of the Project. Except where the context shall require otherwise, the term "Maintenance Areas" shall include all Common Facilities. The Commercial Parcel and parking lot on the Project Plat, shall be excluded from the Maintenance Areas and Common Facilities, but shall be subject to the easement for ingress and egress as set forth on the Plat, and as further described herein.

1.21 Master shall mean Lehi Gateway Master Homeowners Association, Inc. a Utah nonprofit corporation, organized to own and/or administer and manage the Maintenance Areas, Common Facilities, to govern the operation and maintenance of the Project and to implement the provisions of this Declaration.

1.22. Member or Members shall mean those parties which shall be entitled to vote and otherwise participate in decisions made by the Master and which parties shall consist of all Owners.

1.23. Mortgage shall mean any mortgage, deed of trust or other security instrument by which a Parcel or any part of the Property is encumbered. No Mortgage executed by an Owner of a Parcel shall be construed to constitute a lien or other encumbrance upon any other Parcel or upon the Maintenance Areas or Common Facilities.

1.24. Mortgagee shall mean any person or entity named as the mortgagee or beneficiary under a Mortgage or any successor-in-interest to such person or entity.

1.25. Occupant shall mean any party, whether such party shall be an individual, corporation, limited liability company, joint venture, partnership or association which has purchased, leased, rented or otherwise acquired the right to occupy and use any Building or any portion thereof, whether or not such right is exercised.

1.26. Owner shall mean any party, including Declarant, whether such party shall be an individual, corporation, limited liability company, joint venture, partnership or association, which holds in fee the rights and incidents of ownership of real property in the State of Utah as to a Parcel, including ownership of a "Lot", "pad", or "Unit", whether or not constructed and whether or not the Owner resides on the Parcel, within the Project, as evidenced in the official records of Utah County, State of Utah. The term "Owner" shall also refer to Lehi Gateway Condominium Owners Association, Inc. and Lehi Gateway Townhomes Owners Association, Inc. The term "Owner" shall not refer to any party that shall have such interest solely as security for performance of any obligation, including a Mortgage.

1.27. Parcel shall mean each portion of the Project which has either (1) been designated on the Plat as a legal lot or Unit which may be separately transferred or conveyed under the laws of the State of Utah, or (ii) been conveyed as a legal lot or Unit to an Owner as evidenced in the official records of Utah County, State of Utah. Notwithstanding the foregoing, in no event shall the Maintenance Areas be deemed a Parcel. A Parcel may have other designation on the Plat such as lot, unit or pad.

1.28. Period of Declarant Control shall mean and refer to a period of time commencing on the date this Declaration is recorded and terminating on the occurrence of the earliest of the following events: (1) the date on which all of the Parcels have been conveyed to purchasers, including Lots/Units that may be included within the Additional Land, regardless of whether such Additional Land has been added hereto; or (2) the Declarant executes and records a written waiver of its right to control.

1.29. Plat shall mean a plat of the Property or any portion of the Property which shall be prepared, submitted and approved in accordance with applicable ordinances of the City and which shall, either prior to or subsequent to the recordation of this Declaration, be recorded in the official records of Utah County, State of Utah. All individual subdivision plats or maps approved by the City shall be collectively referred to as the "Plat."

1.30. Project shall mean the Property, together with the Improvements, the Maintenance Areas, the Common Facilities and the Landscaping which are now located upon or may in the future be located upon the Property and which shall collectively be commonly known as LEHI GATEWAY COMMUNITY.

1.33. Property shall mean the real property described in recital Paragraph A, less any portion thereof that shall be deeded or otherwise dedicated to the City for public use.

1.34. Reimbursement Assessments shall mean amounts required to be repaid by an Owner or Sub-Association pursuant to Article VI.

1.35. Residential Parcel shall mean a Parcel designated on the Site Plan for single- or multi-family residential development.

1.36. Rules and Regulations shall mean standards for the occupancy and use of the Maintenance Areas and other portions of the Project and other matters related to the administration and management of the Project which may be adopted and amended from time to time in accordance with the provisions of this Declaration.

1.37. Site Plan shall mean and refer to the non-binding, general plan of development for the Property, as amended from time to time.

1.38 Sub-Association shall mean Lehi Gateway Condominium Owners Association, Inc. and Lehi Gateway Townhomes Owners Association, Inc..

1.39. Supplemental Assessments shall mean the share of any additional assessment levied in accordance with provisions of Article VI hereof which is to be paid by each Owner.

1.40. Taxes shall mean all taxes, assessments, charges and fees imposed, assessed or levied by any governmental or public authority against or upon the Property and/or Improvements.

1.41. Trustee shall mean a member of the Board, elected in accordance with the Bylaws of the Master, and is sometimes referred to as a "Director".

1.42. Unit shall mean a residential dwelling within any Building constructed within the Project that is designated for separate use or ownership.

## **ARTICLE II Submission**

2.1. Declaration. Declarant hereby declares that the Property and any and all Improvements that shall at any time be located upon any portion of the Property shall be held, sold, conveyed, transferred, designed, constructed, operated, maintained, leased, subleased and occupied subject to the easements, covenants, conditions and restrictions set forth in this Declaration and which are for the purpose of establishing Maintenance Areas, mutual easements, covenants and restrictions which shall provide for the common management and operation of certain portions of the Project, to place certain use restrictions on the Property and to protect and preserve the value of the Project.

2.2. Covenants to Run With Land. This Declaration and all of the easements, covenants, conditions, restrictions and other provisions contained herein are intended to be

and shall constitute covenants which shall run with the land and which shall be binding upon and shall inure to the benefit of Declarant, each respective Owner, each Occupant and any other party which has or may acquire any interest in or to any portion of the Project and each respective grantee, transferee, heir, devisee, personal representative and the successors and assigns thereof. Any party which may acquire an interest in any portion of the Project, or which may occupy any portion of the Project, shall be deemed to consent and agree to be bound by the Declaration and all of the easements, covenants, conditions, restrictions and other provisions herein contained.

2.3. **After-Acquired Title.** In the event that as of the date of the recordation of this Declaration, Declarant shall not be the holder of record of legal title to any portion of the Property, then all of Declarant's right, title and interest in such portion of the Property, whether such right, title and interest shall arise by reason of a contract for deed or otherwise, shall be deemed to be equitable title, and such equitable title shall be deemed to be subject to and bound by this Declaration and all of the easements, covenants, conditions and restrictions and other provisions herein contained. In the event that fee simple title to any portion of the Property shall become vested in Declarant at any time after the execution, delivery and/or recordation of this Declaration, then any such real property shall immediately and automatically, without the necessity of the execution, delivery or recordation of any other document or instrument, become subject to and bound by this Declaration and all of the easements, covenants, conditions, restrictions and other provisions herein contained.

2.4. **Recordation of Plat.** As defined in Section 1.29, to constitute a Plat, a survey illustration of the applicable portion of the Project must be prepared, submitted and approved in accordance with applicable ordinances of the City and be recorded in the official records of Utah County, State of Utah. Declarant reserves the right to cause one or more Plat to be recorded subsequent to the date of the recordation of this Declaration. Declarant specifically reserves the right to record such number of Plats as Declarant shall determine, in its discretion, to be necessary to adequately define the Project and all of the Parcels, Maintenance Areas, and other parts of the Project. Each Plat, when approved and recorded as required by this Section, shall be deemed to be a Plat and all such Plats, when taken together, shall constitute the Plat of the Project. Declarant further reserves the right to record such revisions, amendments, restatements or supplements to the Plat, whether one or more, as may be required to cause the Plat to accurately represent the Parcels, and other parts of the Project as constructed and existing as of the date of such recordation. After an Owner becomes the owner of a Parcel, no revision, amendment, restatement or supplement to the Plat may modify conditions which exist upon an Owner's Parcel without the written consent of such Owner, which consent shall not be unreasonably withheld or delayed.

2.5. **Enforcement.** Unless otherwise specifically set forth herein, Declarant or any Owner shall have the right to enforce, by any proceeding at law or in equity, all easements, covenants, conditions, restrictions, liens, charges, rights and/or duties now or hereafter imposed by the provisions of this Declaration. The prevailing party in an enforcement action shall be entitled to recover its reasonable attorneys fees and costs. Failure of Declarant or any Owner to enforce any easement, covenant, condition, restriction, lien, charge, right

and/or duty contained herein on any one or more occasion shall not be deemed a waiver of the right to do so on any subsequent occasion.

### **ARTICLE III Administration of Project**

3.1. Construction of Improvements. No Improvements shall be constructed upon a Parcel, nor shall there be any alteration, repainting or refurbishing of the exterior of any existing Building or other Improvement unless and until complete plans and specifications therefor have first been submitted to and approved by the Architectural Control Committee as set forth in Article VIII; provided, however, that the consent of the Architectural Control Committee shall not be required for any repair, repainting or refurbishing of an existing Improvement if upon completion of such repair, repainting or refurbishing the Improvement shall be in compliance with plans and specifications previously approved by the Architectural Control Committee for such Improvement. Approval from the Architectural Control Committee is not required for Improvements to be constructed by Declarant. No temporary structure shall be permitted on any Parcel; provided, however, that trailers, temporary construction offices, sheds and other similar temporary structures shall be permitted for construction purposes during the actual construction of the Improvements.

3.2. Maintenance of Improvements. All Improvements located upon a Parcel shall be continuously maintained so as to preserve a well-kept appearance of a first-class development. The Master shall be responsible for the maintenance of the Maintenance Areas and Common Facilities. Each Owner shall be required, at its sole cost and expense, to maintain its Parcel in a clean, safe and orderly manner and in accordance with the provisions of this Declaration. Each Owner of a townhome lot and townhome structure shall be responsible for the exterior maintenance of his lot, townhome structure and any other approved improvements thereon, including, without limitation, roofs, driveways, concrete steps, porches and/or patios, decks and fencing designed to serve only such lot or townhome structure. Any Sub-Association, which is a condominium, shall be responsible for the maintenance of the condominium buildings and appurtenant structures and facilities as more fully set forth in the applicable Declaration of Condominium. If the Master reasonably determines that the level of exterior maintenance on any Improvement located on an Owner's and/or Sub-Association's Parcel or the maintenance of a vacant Parcel is unacceptable, the Master shall so notify the Owner and/or Sub-Association in writing, and the Owner shall have thirty (30) days thereafter to correct the deficiencies specified in such notice. If, in the Master's opinion, the Owner shall fail to correct the stated deficiencies within said thirty (30) day period, the Master may order the necessary work (the "Required Maintenance") performed at the Owner's expense. The cost of the Required Maintenance shall be assessed to said Owner as a Reimbursement Assessment. Notwithstanding the foregoing, the Master shall have no right or obligation to maintain, repair, or replace any Building, parking lot or any other improvement situated on the Commercial Parcel as identified on the Plat(s).

3.3. Parking. Off-street parking to accommodate the parking needs for residents, employees, guests, visitors, invitees and other vehicles, and which shall be in compliance with the requirements of the Design Standards and the City, shall be provided at the



Project. No parking of vehicles shall be permitted upon streets located in any portion of the Project not designated for parking use, except as authorized by the Board in a formal resolution. Each Owner shall be responsible to maintain all parking and driving surfaces located upon such Owner's Parcel.

3.4. Landscaping. Declarant shall be responsible to cause Landscaping to be initially planted upon the Maintenance Areas. After such initial planting, the Master shall be responsible for maintenance of the same, and costs and expenses incurred for such maintenance shall be a Common Expense; provided, however, that the Master shall be entitled to the actual benefit of any warranty that may be related to such initial planting. No Landscaping shall be installed upon a Parcel, nor shall there be any alteration of any Landscaping, unless and until complete plans for such Landscaping or alteration of existing Landscaping have first been submitted to and approved by the Architectural Control Committee; provided, however, that approval from the Architectural Control Committee for Landscaping to be installed by Declarant on Maintenance Areas is not required. Each Owner shall be required to keep such Owner's Parcel free from rubbish, debris, fire hazards or any unsanitary, unsightly or offensive condition and to conduct such weed abatement, rubbish and debris removal and other maintenance as shall be required to cause said Parcel to be maintained in compliance with standards established by the Master, or, in the event the Master shall not have established such standards, then such maintenance shall, at a minimum, be in compliance with applicable ordinances of the City.

3.5. Maintenance Areas and Common Facilities. The real property upon which Maintenance Areas are located may be owned by the Master or by parties other than the Master, which parties may include Declarant, an Owner, a Sub-Association, the City or the State of Utah. The Master shall manage, administer and maintain the Maintenance Areas and Common Facilities; provided, however, that nothing contained herein shall preclude the Master from entering into contracts with other parties, including a management company, to perform tasks related to the management, administration and maintenance of the Maintenance Areas and Common Facilities. All costs and expenses incurred in connection with such management, administration and maintenance of the Maintenance Areas and Common Facilities, including specifically, but without limitation, any capital improvement which is made by the Master upon or within the Maintenance Areas (except the initial capital cost) and the cost of the acquisition of any Common Facilities, shall constitute a Common Expense. Declarant shall have the right to determine what Improvements, if any, shall be constructed upon the Maintenance Areas. Notwithstanding the foregoing, the Master shall have no right or obligation to maintain, repair, or replace any building, parking lot or any other improvement situated on the Commercial Parcel as identified on the Plat of the Project.

3.6. Nuisances. No Owner or Occupant shall create a nuisance in the Project. No rubbish or debris of any kind shall be placed or permitted to accumulate outside a Building upon any Parcel, and no odor shall be permitted to arise therefrom, including open burning, so as to render any Parcel or any portion thereof unsanitary, unsightly, offensive or detrimental to any Property in the vicinity thereof or to the Occupants thereof. No use or operation shall be conducted in the Project that is noxious, objectionable, unsightly or detrimental to others in any manner and due to any cause such as, but not limited to,

vibration, sound, radiation, air, water, drainage or sewer pollution, dust or emission of odorous toxic or nontoxic substances.

3.7. Signs. All signs which may be viewed from the exterior of any Building must be reviewed and approved in advance by the Architectural Control Committee. Any sign providing general designation of the Project which shall be installed by Declarant shall not be subject to review and approval by the Architectural Control Committee.

3.8. No Subdivision of Parcel. No Parcel shall be further subdivided without the prior written consent of Declarant for so long as Declarant owns any portion of the Property. Declarant shall, in the exercise of its sole discretion, be permitted to grant or withhold such approval. At such time as Declarant shall cease to be an Owner of any portion of the Property, no Parcel shall be further subdivided without the prior written consent of the Board. Upon any reconfiguration of a Parcel, Declarant shall cause to be prepared and recorded an amendment to the Plat which shall set forth the boundaries of the reconfigured Parcel. No signature of any Mortgagee or any Owner, other than Declarant, shall be required on any such amendment.

3.9. Reservation by Declarant. Declarant reserves the right to erect, construct and maintain the Maintenance Areas located at any entrance to the Project or upon any portion of the Project owned by Declarant such signs, sales offices or other administrative office as may be reasonably necessary for the completion of the Project and the leasing, sale or disposition of the Parcels and/or Units.

3.10. No Third-Party Beneficiary. This Declaration is being recorded for the benefit of Declarant and the Owners, and no other party shall be entitled to enforce any provision hereof. No party shall be permitted to claim that such party is an intended third-party beneficiary entitled to enforce rights, duties and/or obligations set forth herein.

#### **ARTICLE IV**

##### **Master**

4.1. The Master. The administration of the Project shall be by the Master, which shall exist for the sole purpose of performing the functions and providing the services contemplated by this Declaration and the ownership and/or operation and administration of Maintenance Areas and Common Facilities. The Master shall be organized as required by the Utah Revised Nonprofit Corporation Act (the "Act"). The Master shall be operated as a nonprofit corporation and shall be governed by the Board and officers authorized by the Bylaws. The Board may adopt, amend and revise, from time to time, Bylaws which shall constitute written procedures for the regulation or management of the affairs of the Master; provided, however, that no provision of the Bylaws shall substantially alter or amend the rights or obligations of the Owners set forth in this Declaration.

4.1.1. Sub-Associations. Portions of the Project have special distinctions that require or make desirable the establishment of a separate condominium or owners association to administer additional covenants or responsibilities applicable to that particular area ("Sub-Association"). Declarant shall have the right to establish a Sub-Association for any Parcel within the Project.

4.1.2. Sub-Association Board. The Owners of Units within each Sub-Association shall elect a "Sub-Association Board" to represent and act on behalf of the Owners with respect to the services and benefits that the Association provides to the applicable Area.

4.2. Members of Master. Each Owner shall be entitled and required to be a Member of the Master. An Owner shall become a Member of the Master immediately and automatically upon becoming an Owner and shall cease to be a Member immediately and automatically upon ceasing to be an Owner as evidenced in the official records of the County Recorder, Utah County, State of Utah. The right to be a Member shall be appurtenant to the real property within the Project and shall not be transferred except upon the transfer of title to said real property and then only to the transferee of title thereto. Any transfer of title to a Parcel shall operate automatically to transfer the Owner's rights as a Member of the Master appurtenant thereto to the new Owner thereof. Any attempted separate transfer shall be void.

4.3. Voting Rights. Except as otherwise disallowed in this Declaration or the Bylaws, Owners shall be entitled to vote their interest pertaining to the Parcel/Lot/Unit owned by that Owner at any meeting of the Owners, but only one (1) vote shall be cast per Lot/Unit. Notwithstanding the foregoing, Members shall have no voting rights until after the termination of the Period of Declarant Control. Until after the termination of the Period of Declarant Control, or except as otherwise determined by the Declarant, Declarant shall have the sole right, authority and discretion to administer and direct the affairs and management of the Master.

4.4. Voting. Each Member shall be entitled to vote on all matters brought before the Members for a vote thereon. Unless otherwise specifically provided, a majority of the votes present, in person or by proxy, and entitled to vote on any matter before the Master, shall be required to approve such matter. Any Owner may, by written notice to the Master, transfer its voting rights to its Mortgagee or to the Occupant of such Owner's Parcel. Such transfer shall be effective until notice of revocation of such transfer signed by said Owner shall be received by the Master. No such transfer shall relieve an Owner of any obligation under this Declaration.

4.5. Multiple Ownership. Only one (1) vote shall be cast per Parcel/Lot/Unit. In the event there is more than one (1) Owner of a particular Parcel/Lot/Unit, the vote relating to such Parcel/Lot/Unit shall be exercised as such Owners may determine among themselves. A vote cast at any Association meeting by any of such Owners, whether in person or by proxy, shall be conclusively presumed to be the vote attributable to the Parcel/Lot/Unit concerned unless an objection is immediately made by another Owner of the same Unit. In the event such an objection is made, the vote involved shall not be counted for any purpose whatsoever other than establishing a quorum.

4.6. Vote of Members. The Board may cause such matters as it shall determine to be submitted to a vote of the Members either at the annual meeting of the Members or at a special meeting called for the purpose of conducting a vote of Members. In addition to such matters as the Board may submit to a vote of the Members, there shall be submitted to a vote of the Members any matters required to be voted upon by Members in accordance with

the provisions of the Act, including specifically but without limitation, any amendment to the Articles.

4.7. Meetings. There shall be a meeting of the Members of the Master not less often than once each calendar year as specified in the Bylaws.

4.8. Board of Trustees. During the Period of Declarant Control, Declarant shall have the right to determine the size, composition, and qualifications of the Board and to appoint the entire Board. Following transfer of Declarant Control the Board shall be comprised of five (5) Trustees, three (3) of which shall be the members of the Board of Lehi Gateway Condominium Owners Association Inc. and two (2) of which shall be appointed by and from the Board of Lehi Gateway Townhomes Owners Association Inc. The third member of the Lehi Gateway Townhomes Owners Association Inc. may serve as a non-voting advisory member of the Board.

4.9. Organization. The Board shall be entitled to establish such organization and elect such officer(s) as it shall deem necessary to properly perform the functions of the Master; provided, however, that if no other officer or organization shall be established, the Board shall, at a minimum, upon a majority vote of the Board, appoint at least a President who shall be authorized to act for and on behalf of the Master and shall be authorized to enter into contracts and other agreements and to execute such other documents as may be required to permit the Master to perform the duties and obligations and exercise the rights and privileges of the Master as contained in this Declaration. An officer of the Master need not be a Member.

4.10. No Personal Liability and Indemnification. Each past and present Board Member (including the Declarant and its appointees) shall be entitled to indemnification to the fullest extent permitted by the Utah Revised Nonprofit Corporation Act. The right of any Person to be indemnified shall be subject always to the right of the Association by the Board, in lieu of such indemnity, to settle any 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 V**

### **Rights, Duties and Obligations**

5.1. Management of Maintenance Areas. The Master shall be responsible for the exclusive management, control, operation and maintenance of the Maintenance Areas, and shall keep the same in good, clean, attractive, safe and sanitary condition, order and repair. Where it deems necessary or desirable, the Master may construct, reconstruct, repair or replace any capital improvement related to or located upon the Maintenance Areas. The Master shall not be responsible for the maintenance of any Parcel. The Master may, by written contract, delegate in whole or in part, to such person or persons as it shall deem advisable, such of the Master's duties, responsibilities and functions as are properly delegable. The Master shall have the right to exercise any right or privilege given to it expressly by this Declaration or by law, and every other right or privilege or duty given to it herein or reasonably necessary to effectuate any such right, privilege or duty. All goods and services procured by the Master in performing its responsibilities shall constitute a Common Expense. Nothing contained in this Declaration shall be construed to obligate the Master to

incur any expenses which cannot be reimbursed to the Master from the Owners by virtue of an Assessment.

5.2. **Rules and Regulations.** The Master may, in its discretion, make reasonable Rules and Regulations governing the use of the Maintenance Areas and Common Facilities, including different Rules and Regulations governing different areas within the Project, if the Master determines such an arrangement to be reasonable or desirable; provided, however, that all such Rules and Regulations shall be consistent with the rights and obligations established by this Declaration. Each Owner shall be responsible to insure that each Occupant of any portion of said Owner's Units, Lots or Parcel(s) complies with such Rules and Regulations. Each lease or other agreement which shall provide for the occupancy of all or any part of the Parcel shall require the Occupant to comply with this Declaration and the Rules and Regulations.

5.3. **Allocation of Taxes.** Each Owner shall be responsible to pay, prior to delinquency, any and all Taxes which shall be levied against an Owner's Parcel. Declarant shall be responsible to pay, prior to delinquency, any and all Taxes which shall be levied against any portion of the Property owned by Declarant. The Master shall be responsible to pay, prior to delinquency, all Taxes levied against the Maintenance Areas and Common Facilities. All Taxes levied against the Maintenance Areas and Common Facilities shall be a Common Expense and shall be paid by all Owners as part of the Common Expenses. Any Owner, Declarant or the Master shall be entitled to protest or appeal the amount of Taxes levied and delay payment of Taxes being protested or appealed, provided that such protest or appeal is prosecuted according to applicable law and such law shall permit delay in payment of such Taxes pending resolution of such protest or appeal. In the event that Taxes are not separately levied and collected by the applicable taxing authority between the Parcels, Maintenance Areas and Common Facilities, then the Master shall make a reasonable allocation of the Taxes based upon the value of applicable portions of the Project.

5.4. **Declarant, Master, Association, Sub-Association, Sub-Association Board,** the officers and directors of any community association described herein, and all Owners (each a "Bound Party" as used in this Article agree to encourage the amicable resolution of any disputes, grievances, and claims regarding the initial management of the Master or Sub-Association, design, initial construction, condition, or sale of any part of the Condominium Project or any improvements thereon ("Claim") involving any Bound Party without the emotional and financial costs of litigation. Accordingly, each Bound Party covenants and agrees to the following mandatory procedures for resolving any Claim.

- (a) Any Bound Party initiating a Claim ("Claimant") against any other Bound Party ("Respondent") (the Claimant and Respondent referred to herein being individually referred to as a "Party" or collectively referred to as the "Parties") shall notify each Respondent in writing ("Notice"), stating plainly and concisely:

- (i) The nature of the Claim, including the Persons involved and Respondent's role in the Claim;
  - (ii) The legal basis of the Claim (i.e. the specific authority out of which the Claim arises);
  - (iii) The proposed remedy;
  - (iv) The fact that Claimant will meet with Respondent to discuss in good faith ways to resolve the Claim; and
  - (v) That the person alleged to be responsible for the acts giving rise to the Claim shall have one hundred and eighty (180) days to cure or resolve the Claim.
- (b) Within sixty (60) days of providing the Notice, the Parties shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation. If requested in writing, accompanied by a copy of the Notice, the Board may appoint a representative to assist the Parties in negotiation.
- (c) In the event that the Claim is not resolved following the meeting, or if the meeting fails to take place within the sixty (60) day period required above despite good faith efforts, except for any Claim that may be filed by the Association against the Declarant or an affiliate of the Declarant, the Claimant may proceed with legal proceedings against the Respondent following the conclusion of the one hundred and eighty (180) day cure period provided in the Notice.
- (d) Before initiating any legal proceeding for any Claim against the Declarant or an affiliate of Declarant, the Association shall:
- (i) Provide full disclosure in writing to all Owners of all material information relating to the Claim, which includes without limitation, a statement describing the nature of the Claim, the manner in which the Claim will be funded and a statement describing any demands, notices, offers to settle or responses to offers to settle made either by the Association or the Declarant or its affiliate, if applicable;
  - (ii) Call and hold a special meeting of the Owners to discuss the Claim and disclosures, and provide at least seventy-two (72) hours notice to each Bound Party of such meeting, and permit a representative of each Bound Party to attend the special meeting;
  - (iii) Receive approval from two-third (2/3) of the entire Allocated Interest at the special meeting to initiate any legal proceeding of the Claim against the Declarant and/or its affiliate, if applicable; and

- (iv) Allow the one hundred and eighty (180) day right to cure period to expire.
- (e) Any post-turnover litigation involving the Bound Parties shall strictly comply with each of the provisions of this Section. The parties hereby covenant, stipulate, and agree that in the event the Bound Parties fail to satisfy the prerequisites set forth herein, the non-compliant party will indemnify, defend, hold harmless, and exculpate the other Bound Party to the fullest extent permissible by law, and the non-breaching Bound Party shall be entitled to recover any and all attorneys fees and costs expended as a result of enforcing this Section, which fees and costs may include, without limitation, pre-litigation attorneys fees, costs incurred in connection with investigation of potential claims, including expert and consultant fees, testing fees, contractor fees, and insurance deductibles. The Bound Parties further covenant, stipulate, and agree that failure to comply with this Section herein will result in damages to Declarant including, without limitation, reputational harm, and may result in damages to Declarant including lost revenues, and loss of business and sales opportunities.
- (f) Any provision in this Declaration notwithstanding: (1) other than as set forth in this Section, the Association shall have no power whatsoever to institute, prosecute, maintain or intervene in any proceeding of a Claim, (2) any institution, prosecution or maintenance of, or intervention in a proceeding of a Claim by the Board without first strictly complying with, and thereafter continuing to comply with, each of the provisions of this Section, shall be unauthorized and *ultra vires* (i.e., an unauthorized and unlawful act, beyond the scope of authority of the corporation or of the person(s) undertaking such act) as to the Association, and shall subject any Director who voted or acted in any manner to violate or avoid the provisions and/or requirements of this Section to personal liability to the Association for all costs and liabilities incurred by reason of the unauthorized institution, prosecution or maintenance of, or intervention in, the proceeding of a Claim; and (3) this Section may not be amended or deleted at any time without the express prior written approval of both: (a) Members representing not less than sixty-seven percent (67%) of Allocated Interests of the Association, and (b) not less than seventy-five percent (75%) of the Directors; and any purported amendment or deletion of this Section or any portion hereof, without both of such express prior written approvals shall be void.
- (g) ALL PARTIES HEREBY AGREE TO RESOLVE ANY CLAIM ACCORDING TO THE PROVISIONS OF THIS SECTION AND SUCH PARTIES WAIVE THEIR RESPECTIVE RIGHTS TO PURSUE THE CLAIM IN ANY MANNER OTHER THAN AS PROVIDED IN THIS SECTION.

**ARTICLE VI**  
**Budget and Assessments**

6.1. **Payment of Assessment.** Each Owner, by acceptance of a deed to any Parcel, whether or not it shall be so expressed in such deed or other conveyance, shall be deemed to and does hereby covenant and agree to pay to the Master any and all Assessments levied against its Parcel in accordance with the provisions of this Declaration. Notwithstanding such personal obligation of the Owners, and the right of the Master, at its discretion and option, to enforce the covenants set forth in this Declaration, the Master shall be entitled to collect such Assessments from each Sub-Association who shall be obligated to promptly forward such Assessments to the Master regardless of whether the Sub-Association has received the same from the separate Owners. Accordingly, each Sub-Association shall be entitled to enforce the Assessments levied by the Master against their respective Owners. Furthermore, the Master shall be entitled to levy Assessments directly against the Sub-Associations as set forth in Section 6.5. The Assessments, together with interest thereon which shall accrue with interest, late charges and costs of collection thereof, including court costs and reasonable attorneys' fees, shall be a charge and continuing lien upon the Parcel against which such Assessments are made from the date on which such Assessments are due. Assessments shall commence upon the date of the recording of this Declaration.

6.2. **Apportionment.** General and Supplemental Assessments shall be fixed at a uniform rate for all residential dwellings of all Sub-Associations, except as set forth in this Section. Notwithstanding the foregoing, in the event the Board determines, in its sole discretion, to maintain, repair, improve, or replace portions of the Maintenance Area and/or Common Facilities that primarily serve only one Sub-Association, then the Board shall be authorized to apportion specific Assessments to only the Owners of the benefited Sub-Association.

6.3. **Annual Budget.** The Board shall prepare, or cause the preparation of, and adopt an annual budget for the Association. The annual budget shall provide, without limitation, for the maintenance of the Maintenance Areas and Common Facilities and for the administration, management, and operation of the Association. If the Board fails to adopt an annual budget, the last adopted budget shall continue in effect until the new annual budget is adopted.

6.4. **General Assessment.** All Common Expenses shall be paid through an annual general assessment to all Owners. Each Owner's share of the total Common Expenses, as estimated by the Annual Budget, shall be a "General Assessment." Each respective share of a General Assessment shall be based upon the Annual Budget determined in accordance with this Article.

6.5. In the sole discretion of the Master, General and other Assessments may be levied directly by the Master against the Sub-Associations which shall be responsible to satisfy the assessments of the Master.

6.6. **Supplemental Assessments.** In addition to the General Assessment, the Board may, upon the vote of the majority of the Board at a meeting called for the purpose of such vote, levy, in any year, one or more Supplemental Assessments applicable to that year only for the purpose of paying, in whole or in part, (i) the cost of any reconstruction, repair or replacement of a capital improvement upon the Maintenance Areas and Common Facilities,



(ii) deficits created by non-payment of any Assessments by any Owner, and (iii) other costs and expenses required to be paid by the Owners in accordance with the provisions of this Declaration. At the time of the adoption of such Supplemental Assessment, the Board shall designate the time and the manner in which such Supplemental Assessment is to be paid by each Owner; provided, however, that the due date for payment of a Supplemental Assessment shall be at least thirty (30) days from the date that notice of the Board's approval of the Supplemental Assessment shall be given by the Board. Such Supplemental Assessment shall be apportioned to each Owner in the manner set forth in this Article. Any Supplemental Assessment which shall not be paid on or before the applicable due date shall accrue interest on the unpaid balance thereof from the original date due until paid.

6.7. Reimbursement Assessment. The Board may, subject to the provisions hereof, levy an Assessment against any Owner if the willful or negligent failure of such Owner to comply with this Declaration, the Articles, the Bylaws or the Rules and Regulations has resulted in the expenditure of funds by the Master to cause such compliance. Such Assessment shall be known as a Reimbursement Assessment and shall be levied only after notice is given as provided in this Section. The amount of the Reimbursement Assessment shall be due and payable to the Master thirty (30) days after notice to the Owner of the decision of the Board that the Reimbursement Assessment is owing. Interest shall accrue on any Reimbursement Assessment from the date of expenditure of funds by the Master until such amounts shall be repaid.

6.8. Collection of Assessments. The Board shall, in its sole discretion, be entitled to establish such procedures for the collection of Assessments, including provisions for late charges, interest on unpaid Assessments, and such other matters as the Master shall determine, and shall have any and all rights and remedies provided at law or in equity for the collection of debts, subject only to the notice requirements provided in this Article.

6.9. Remedies to Enforce Assessments. Each Assessment, together with accrued interest, late charges or other similar charges levied, shall be a separate, distinct and personal debt and obligation of the Owner against whom such Assessment is assessed. Suit to recover a money judgment for such personal obligation shall be maintainable by the Master against such Owner without foreclosing or waiving the lien securing the same. Any and all rights and remedies shall be exercised in such manner, on one or more occasions and in such order as the Board shall elect, without waiver of any other right or remedy or lien provided in this Declaration or by law. Any failure of the Board to exercise any such right on one or more occasions shall not constitute a waiver of the right to so exercise such right in the future. In addition to the amount of the unpaid Assessment, an Owner shall be required to pay any and all costs and expenses which may be incurred by the Master in collection of such Assessment, including reasonable attorneys' fees and costs, whether or not litigation is commenced.

6.10. Lien for Assessments. All sums assessed to an Owner of any Parcel in the Project pursuant to the provisions of this Declaration, together with interest, late charges and costs of collection, shall be secured by a lien on such Parcel in favor of the Master.

6.11. Certificate of Assessment. The Board shall, upon written request, and for a reasonable charge, furnish a certificate signed by an officer of the Master, setting forth

whether the Assessments on a specific Parcel have been paid, and said certificate may be conclusively relied upon by the party requesting the same.

6.12. **No Avoidance.** No Owner may avoid or diminish such Owner's obligation to pay Assessments, the right of the Master to assert a lien against said Owner's Parcel to enforce payment of the same or to be relieved of such Owner's personal obligation for the payment of Assessments by reason of: (i) a waiver of the use or enjoyment or the actual non-use of any of the Maintenance Areas, Common Facilities, or any other portion of the Project; (ii) a waiver of any services provided for in this Declaration; or (iii) all or any part of said Owner's Parcel being unoccupied for all or any portion of the period for which such Assessments shall have been made.

6.13. **No Offset.** All Assessments shall be payable in the amounts specified in the levy thereof, and no offset or reduction thereof shall be permitted for any reason, including, without limitation, any claim that the Master, the Board or any officer, employee, agent or representative thereof is not properly exercising its duties and powers under this Declaration.

6.14 **Declarant Assessment Exemption.** Anything to the contrary notwithstanding, the Declarant shall not be obligated to pay Assessments on any Parcels/Lots/Units owned by it until such time as the earlier of the following two events occurs: (1) the physical structures are substantially completed, certificates of occupancy are issued, and the Parcels/Lots/Units are sold or rented by Declarant; or (2) Declarant elects in writing to pay the Assessments.

6.15 **Reinvestment Fee.** Subject to the terms and conditions of Subsection (b) below, the Board shall have the right to establish from time to time (but shall not be required to establish) a Reinvestment Fee assessment in accordance with this Section 6.15. If established by the Board, the Board or its agent shall record and is hereby authorized to record, a notice or amended notice of this Reinvestment Fee covenant against all Parcels/Lots/Units, consistent with the following terms and conditions:

- (a) Upon the occurrence of any sale, transfer, or conveyance (as applicable, a "Transfer") of any Unit, the party receiving title to the Unit (the "Transferee") shall pay to the Association a Reinvestment Fee in an amount to be established by the Board from time to time, provided that in no event shall the Reinvestment Fee exceed the lesser of (i) 0.5% of the value of the applicable Unit, or (ii) the maximum rate permitted by applicable law.
- (b) Notwithstanding anything to the contrary contained in this Section, the Association shall not levy or collect a Reinvestment Fee for any of the Transfers described below:
  - (i) Any Transfer to Declarant or an affiliate or successor of Declarant.
  - (ii) Any Transfer to the United States or any agency or instrumentality thereof, the State of Utah, or any county, city, municipality, district or other political subdivision of the State of Utah.

- (iii) Any Transfer to the Association or its successors.
- (iv) Any Transfer, whether outright or in trust, that is for the benefit of the transferor or the transferor's relatives, but only if the consideration for the Transfer is no greater than 10 percent of the value of the Lot or Unit transferred.
- (v) Any Transfer or change of interest by reason of death, whether provided for in a will, trust, or decree of distribution, except for a sale of a Unit by the estate of an Owner.
- (vi) Any Transfer made solely for the purpose of confirming, correcting, modifying, or supplementing a Transfer previously recorded to remove clouds on title.
- (vii) Any lease of any Unit or portion thereof for a period of less than thirty (30) years.
- (viii) Any Transfer to secure a debt or other obligation or to release property which is security for a debt or other obligation.
- (ix) Any Transfer in connection with the foreclosure of a deed of trust or mortgage, or a deed given in lieu of foreclosure.

The Reinvestment Fee shall be due and payable by the Transferee to the Association at the time of the Transfer giving rise to the payment of such Reinvestment Fee.

## **ARTICLE VII Easements**

7.1. In General. The Property and any portion of the Property which is sold as a separate Parcel shall be conveyed and owned subject to and together with the Easements herein recited or as shall be set forth on the Plat, whether or not such Easements are specifically set forth in the document of conveyance. In each instance the physical location of an Easement may, in some circumstances, be located in the same place and the use thereof may be shared with other Easements similarly located and in each such instance the rights and privileges associated with each such Easement shall be interpreted separately, but the use shall be deemed to be non-exclusive with any other Easement similarly located. Easements granted pursuant to this Declaration shall be utilized in the manner that shall be reasonably determined to be the least disruptive to the Parcel upon which such Easement is situated. No Easement may be amended, extinguished or otherwise modified in any manner by an amendment to this Declaration or the Plat without the express written approval of the owner of the real property which shall be benefited or intended to be benefited by the existence of such Easement. It is expressly agreed that any and all Easements granted pursuant to this Declaration shall survive any termination,

expiration or other cessation of this Declaration and shall be extinguished only upon the execution and delivery of a termination executed by the party legally entitled to terminate the Easement intended to be terminated.

7.2. Other Easements. In addition to other Easements specifically granted in this Declaration, there are hereby granted to each Owner and established certain perpetual easements described in this Article and/or which are described on the Plat.

7.3. Ingress, Egress and Parking on Maintenance Areas. There is hereby granted to each Owner a non-exclusive Easement for ingress and egress for both pedestrian and vehicular traffic over and across the roadways and adjoining parking lot on the Commercial Parcel designated on the Plat of the Project, together with the right for temporary parking of motor vehicles upon, all portions of the Maintenance Areas which have been designed, constructed and designated or which shall in the future be designed, constructed and designated for such use, together with the right to temporarily park vehicles upon such portions of the Maintenance Areas which have been designed, constructed and designated or which shall in the future be designed, constructed and designated for such use. All parking pursuant to the Easement hereby established shall be in accordance with applicable Rules and Regulations.

7.4. Temporary Construction Easement. There is hereby granted to Declarant and each Owner a temporary Easement over and across roadways constructed on the Property for ingress and egress of construction vehicles and equipment during the time of actual construction of Improvements.

7.5. Public Utilities Easement. There is hereby granted to Declarant, each Owner and to the provider of any utility service, a non-exclusive Easement (the "Utilities Easement") to construct, install, operate, service, repair, replace and maintain any and all underground public and private utility lines of any nature, including, without limitation, culinary water, irrigation water, sanitary sewer, storm water drainage, natural gas, electricity, cable television, telephone and other forms of communication, which may now or in the future exist and which may be required or desirable to service any Improvements, including specifically, but without limitation, all wiring, lines, conduits, pipes, sewers, valves, junction boxes, control boxes and drainage lines and related facilities (the "Utility Lines"). The Utilities Easement shall be located upon those areas of the Project designated on the Plat of the Project. The Utilities Easement herein granted shall include an easement over and across the surface of the Property within the boundaries of the Utility Easement as may be necessary to service and maintain such Utility Lines. In the event any utility company, quasi-utility company, public entity, agency or district, cable company or similar entity furnishing a service covered by this Utility Easement requests a specific easement to be located within the Utilities Easement by separate recordable document, Declarant reserves and is hereby given the right and authority to grant such easement, provided that such Easement shall be in compliance with the provisions of this Section 7.5. At such time as Declarant shall cease to be the Owner of real property over which the Utility Easement is required, the Master shall be deemed to have reserved the right and authority to grant such Easement, provided that such Easement shall conform to the provisions of this Section 7.5.

7.6. Sign Easements. There is hereby granted to Declarant and the Master one or more Easements (the "Sign Easements") to construct, install, service, replace and maintain the Project Signs. The Sign Easements shall be located upon the Maintenance Areas, and other areas of the Project specifically designated on the Plat. The Sign Easements herein granted shall include an easement over and across the surface of the Property from public streets to the location of the Project Signs as shall be reasonably necessary for the construction, installation, servicing, replacement and maintenance of the Project Signs. The Sign Easements shall be utilized in the manner that shall be reasonably determined to be the least disruptive to those portions of the Property upon which such Sign Easements are situated. Responsibility for the maintenance of the Project Signs is specifically set forth in Article III.

7.7. Maintenance Area Easements. There is hereby granted to Declarant and the Master an Easement to install, service, replace and maintain the Landscaping and Common Facilities located within a Maintenance Area. This Easement shall be located upon those areas of the Project designated on the Plat as Maintenance Areas and shall include an Easement over and across the surface of the Property from public streets to the Maintenance Areas as shall be reasonably necessary for access to the Maintenance Areas and for the installation, servicing, replacement and maintenance of the Landscaping and Common Facilities within the Maintenance Areas. This Easement shall be utilized in the manner that shall be reasonably determined to be the least disruptive to those portions of the Property upon which such Easement is situated.

7.8. Access to Perform Duties. there is hereby granted unto the Master an Easement, together with the right to grant and transfer such Easement to others as is reasonably required to accomplish the intended purpose of such Easement, over and through all portions of the Project for the purpose of permitting the Master to exercise its rights and discharge its obligations and duties under this Declaration. Such right of access shall be specifically granted to security personnel employed by or under contract with the Master, all police officers, firefighters, ambulance personnel and similar emergency personnel in the performance of their respective duties.

7.9. Extension of Easement. Each Parcel, whether now or in the future existing, as defined in accordance with the provisions of this Declaration, shall have appurtenant thereto, and shall be benefited and burdened by, as applicable, the Easements herein granted. Each Owner shall be entitled to the benefit of the Easements herein granted and shall be entitled to permit each Occupant, together with any employee and any business customer, invitee and guest of said Owner and/or Occupant, to enjoy the benefits of the Easements herein granted, but said Owner's use and enjoyment of its Parcel shall be subject to and burdened by the Easements also herein granted.

7.10. No Public Dedication. Nothing contained in this Declaration shall be deemed to be a gift or dedication of any portion of the Project to or for the general public or for any public purpose whatsoever, it being the intention of the Declarant that this Declaration will be strictly limited to and for the purposes herein expressed. Notwithstanding the grant of the Easements, each Owner may be entitled to take whatever steps it deems necessary to protect and preserve the private ownership of its Parcel and to prevent the same from being

dedicated to the public use as a matter of law; provided, however, that such steps shall be taken in such manner and at such time as shall cause minimal disruption of the occupancy and usage of said Owner's Parcel. An Easement granted herein to the City shall be deemed granted to the City and may be used by its employees, agents, contractors and representatives in performance of their respective duties within the Project, and shall not be construed to be a grant to the public generally.

### **ARTICLE VIII Architectural Control**

8.1. Architectural Control Committee. The Board may appoint a three (3) member Architectural Control Committee, the function of which shall be to insure that all improvements and landscaping within the Property harmonize with existing surroundings and structures (herein the "Board"). The Board need not be composed of Owners. If such a Board is not appointed, the Board shall perform the duties required of the Board.

8.2. Architectural Controls. To maintain a degree of protection to the investment which homeowners in this area may make, homes of superior design are requisite, and designs shall be limited to those approved by the Board. In the event of any reconstruction of an improvement or a residential Lot or Unit due to a casualty, the design, quality, and appearance of the reconstructed home shall be substantially the same as the structure initially built, unless otherwise approved by the Board. No landscaping, grading, excavation, building, fence, wall, residence, or other structure, or alteration of any kind, shall be commenced, erected, maintained, improved, altered, or made until the construction plans and specifications, have been approved in writing by the Board. All subsequent additions to or changes or alterations in any building, fence, wall, or other structure, including exterior color scheme, and all changes in the grade within the Project, shall be subject to the prior written approval of the Board. Once approved by the Board, no changes or deviations in or from the plans and specifications shall be made without the prior written approval of the Board. Subsequent to receiving approval of the Board and prior to the commencement of construction, each Owner will be responsible for obtaining a building permit from Lehi City.

No construction, reconstruction or modification of a home or landscaping may commence without approval by the Board of the working drawings including, but not limited to, the following:

- 1) Plot plans to scale showing the entire site, building, garages, walks, drives, fences, lights, and retaining walls, with elevations of the existing and finished grades and contours including those at the outside corners of the buildings and at adjacent property line and street fronts and elevations of floors from a designated point on the street.
- 2) Detailed floor plans showing dimensions and measurements.
- 3) Detailed elevations, indicating all materials and colors and showing existing and finished grades.
- 4) Detailed sections, cross and longitudinal.

5) Details of cornices, porches, windows, doors, garages, garden walls, steps, patios, fences, carriage lights, etc.

Specifications shall give complete descriptions and color samples of materials to be used on the exterior of the residence. The Board will base its approval of construction plans, specifications, landscaping plans, and other alterations upon compliance with the Design Guidelines, any other design guidelines adopted by the Association, and other provisions found within the Project Plan.

8.3. Declarant's Exemption. Nothing contained in this Declaration shall be construed to prevent the erection or maintenance by Declarant, or its duly authorized agents, of temporary structures, trailers, improvements or signs necessary or convenient to the development, marketing, or sale of property within the Project. Furthermore, the provisions of this Declaration which prohibit or restrict non residential use of Lots or Units, regulate parking of vehicles, and restrict signage, banners, and the like, shall not prohibit the construction and maintenance of model homes by Declarant and/or other persons engaged in the construction of residences within the Project so long as the location of such model homes and the opening and closing hours are approved by the Board, and the construction, operation and maintenance of such model homes otherwise complies with all of the provisions of this Declaration. The Board may also permit Lots or Units and other areas to be used for parking in connection with the showing of model homes so long as such parking and parking areas are in compliance with the ordinances of Lehi City and any rules of the Board. Any homes constructed as model homes shall cease to be used as model homes at any time the Owner thereof is not actively engaged in the construction and sale of residences within the Project, and no home shall be used as a model home for the sale of homes not located within the Project.

8.4. Liability for Damages. The Board shall not be held liable for damages by reason of any action, inaction, approval, or disapproval by it made pursuant to this Article.

8.5. Delegation of Design Review. The Architectural Control Committee may, in its discretion, assign or delegate all or any portion of its responsibility and authority under this Article to a Sub-Association or another body of the Architectural Control Committee's choosing. In the event of such assignment or delegation, the body named by the Architectural Control Committee shall possess all of the powers granted under this Article and shall conduct itself in accordance with the standards and requirements outlined herein.

8.6. Exclusions. The provisions of this Article VIII shall not be applicable to the Maintenance Areas, Project Signs and any and all Improvements related thereto.

## **ARTICLE IX Annexation**

9.1. Right of Declarant. Declarant (joined by the owner of the lands to be annexed if other than Declarant) shall have the sole right, but not the obligation, to bring within the scheme of this Declaration additional real property, provided that such real property shall be contiguous to the real property which, at the time of such annexation, shall constitute the "Property" under this Declaration. Such right may be exercised by Declarant at any time

within ten (10) years from the date this Declaration has been recorded and which annexation may be accomplished without the consent or signature of the Master, its Members, Owners or Occupants or any Mortgagee.

9.2. Manner of Annexation. Declarant may annex additional real property by the recordation of one or more supplemental declarations signed by Declarant and recorded in the office of the County Recorder of Utah County, State of Utah. Such supplemental declaration shall contain the legal description of the real property to be annexed to this Declaration, shall submit the additional real property to the terms and conditions hereof and declare that the described real property and any and all Improvements that shall at anytime be located upon any portion of such property shall be held, sold, conveyed, transferred, designed, constructed, operated, maintained, leased, subleased and occupied subject to the easements, covenants, conditions and restrictions set forth in this Declaration.

9.3. Effect of Supplemental Declaration. Upon the recordation of a supplement to this Declaration in the office of the County Recorder of Utah County, State of Utah, the real property described therein shall be subject to this Declaration.

## **ARTICLE X**

### **Mortgagee Protection**

10.1. Mortgagee Protection. No breach of any of the covenants, conditions, restrictions, or limitations contained in this Declaration shall defeat or render invalid the lien of any Mortgage made in good faith and for value; provided, however, that all such covenants, conditions, restrictions or limitations contained herein shall be binding upon an Owner whose title is derived through foreclosure, trustee's sale or by deed or assignment in lieu of foreclosure.

10.2. Notice of Noncompliance to Mortgagee. From and after the time a Mortgagee makes written request to the Master therefor, the Master shall notify such Mortgagee in writing in the event that the Owner of a Parcel encumbered by the Mortgage held by such Mortgagee neglects, for a period of thirty (30) days or more, to cure any failure on the part of such Owner to perform any of its obligations under this Declaration.

10.3. Priority of Assessment Lien. The lien or claim against a Parcel for unpaid Assessments levied by the Master pursuant to this Declaration shall be subordinate to a Mortgage affecting such Parcel which has been recorded prior to the date such Assessment became due. A Mortgagee who comes into possession of the Parcel pursuant to its Mortgage or a deed or assignment in lieu of foreclosure shall take the same free of such lien or claim for unpaid Assessments or charges, but only to the extent of Assessments or charges which accrue prior to foreclosure of the Mortgage, exercise of a power of sale available thereunder or delivery of a deed or assignment in lieu of foreclosure, except that such Mortgagee shall be responsible for the payment of a pro rata share of such prior Assessments or charges resulting from a pro rata reallocation thereof to all Parcels, including the Parcel in which the Mortgagee is interested. No Assessment, charge, lien or claim which is described in the preceding sentence as being subordinate to a Mortgage or as not being a burden to a Mortgagee coming into possession pursuant to its Mortgage or a deed or assignment in lieu of foreclosure shall be collected or enforced against a



Mortgagee, a successor in title to a Mortgagee or the Parcel affected or previously affected by the Mortgage concerned (to the extent any such collection or enforcement would prejudice the interests of the Mortgagee or successor in title to the Mortgagee interested in such Parcel).

10.4. Financial Information. Any Mortgagee shall have the right, at its request and expense and upon reasonable notice, to examine the books and records of the Master during reasonable business hours. From and after the time a Mortgagee makes written request to the Master therefor, and at the expense of such Mortgagee, the Master shall furnish to such Mortgagee copies of such financial reports or writings summarizing or reflecting the financial position or history of the Project as may be prepared for distribution to or use by the Owners generally.

10.5. Article Supersedes Others, In the event another provision or clause of this Declaration deals with the same subject matter as is dealt with in any provision or clause of this Article X, the provision or clause which results in the greatest protection and security for a Mortgagee shall control the rights, obligations, or limits of authority, as the case may be, applicable to the Master with respect to the subject concerned.

10.6. Amendment to Article. No amendment to this *Article X* which has the effect of diminishing the rights, protection, or security afforded to Mortgagees shall be accomplished or effective unless all of the first Mortgagees of the individual Parcels have given their prior written approval to such amendments. Any amendment to this Article X shall be accomplished by an instrument executed by the Master and filed for record in the office of the County Recorder of Utah County, State of Utah. In any such instrument, an officer of the Master shall certify under penalties of perjury that the prior written approval of first Mortgagees required by this *Article X* as a condition to amendment has been obtained.

10.7. Notices to Mortgagee. Any notice to a Mortgagee under this Article X shall be in writing and shall be sufficient for all purposes if personally delivered or if sent by first-class mail, postage prepaid, and addressed to the Mortgagee at the address for notices from time to time specified by the Mortgagee in writing to the Master. Any such notice shall be given in the manner specified in Section 11.1 of this Declaration.

## **ARTICLE XI Miscellaneous Provisions**

11.1 Notices. Upon acquisition of title to a Parcel, each Owner shall provide written notice to the Master of such Owner's address for purposes of furnishing notices in connection with this Declaration. The address provided by an Owner shall be used for any notice required to be given under this Declaration and if no such address shall have been provided, then the address used by Utah County for the mailing of real property tax statements for such Parcel shall be used for such notice. All notices to be given pursuant to this Declaration shall be sufficient if given by personal service, by guaranteed overnight delivery service or by being mailed to the prescribed address. Any time period provided in the giving of any notice hereunder shall commence upon the date of personal service, the date after delivery to the guaranteed overnight delivery service or two (2) days after mailing.

Notice of the regular annual meeting of the Members shall be sent as set forth in the Bylaws.

11.2. Amendment. Except where otherwise specifically provided in this Declaration, this Declaration may be amended upon the affirmative vote of a majority of the total votes of the Owners, taken together, as determined in accordance with Article IV. Any such amendment shall recite that a vote of the Owners has been properly taken and that the amendment has been approved in accordance with the provisions hereof, shall be certified by an officer of the Master and shall be recorded in the office of the Utah County Recorder, State of Utah. Any such amendment shall take effect upon such recordation. Each Owner makes, constitutes and appoints the Master the true and lawful attorney-in-fact of said Owner to act in said Owner's name, place and stead to make, execute, sign, acknowledge and file with respect to the Project such amendments to this Declaration as may be required by law or by vote taken pursuant to the provisions of this Declaration. Any amendment to this Declaration which shall require the express consent of a specified party, shall be accomplished only by an amendment executed by both the Master and the party from whom such consent shall be required which shall be filed for record in the office of the County Recorder of Utah County, State of Utah.

11.3. Amendment by Declarant. Until after the termination of the Period of Declarant Control, the Declaration and the Plat may be amended by the Declarant without any additional approval required. In addition, during the Period of Declarant Control no other amendment shall be valid or enforceable without the Declarant's prior written consent.

11.4 Insurance. Types of Insurance Maintained by the Association. The Association shall maintain the following insurance coverages:

- (a) Property casualty and fire insurance for the Maintenance Areas and Common Facilities to the extent reasonably available or deemed advisable by the Board;
- (b) Liability insurance in an amount deemed advisable by the Board;
- (c) Full coverage directors and officers liability insurance for such amount as the Board may determine in the exercise of its reasonable discretion; and
- (d) Fidelity bond or dishonest acts insurance for at least the value of the reserves and operating capital of the Association as the Board may determine in the exercise of its reasonable discretion.

11.4.1 The Board may adopt insurance rules and policies to maintain the insurance required under this Section and keep the premiums reasonable.

11.4.2 Insurance Company. The Association shall use an insurance company knowledgeable with community association insurance, which is licensed in Utah.

11.4.3 Premium as Common Expense. The premiums for the Association's insurance policies shall be a Common Expense.

11.4.4 Payment of Deductible. The deductible on a claim made against an Association policy shall be allocated to the party which caused the loss. The Association shall have the right to determine which party caused the loss. If the loss is a "no-fault" loss, the Association shall pay the deductible.

11.4.5 Right to Adjust Claims. The Association has the right and authority to adjust claims.

11.4.6 Insurance Proceeds. If an Owner suffers a loss to their Lot or the improvements thereon, they shall use any insurance proceeds to restore the Lot and improvements to their original or better condition. If an insurable loss to the Maintenance Areas or Common Facilities occurs, the Association may, but shall not be obligated use the insurance proceeds to restore the Maintenance Areas or Common Facilities to their original or better condition.

11.5. Condemnation. In the event that all or any part of the Maintenance Areas is taken through condemnation or is conveyed to a condemning authority under threat of condemnation, the entire condemnation award or proceeds shall be used first to pay costs and expenses incurred to restore the remaining portions of the Maintenance Areas to the condition that existed prior to such taking and any portion that shall remain thereafter shall be allocated to all Owners in the same proportion as used in the allocation of Common Expenses. Costs and expenses incurred in restoring such Maintenance Areas or other areas which shall be in excess of said condemnation award allocable to the Maintenance Areas shall be a Common Expense and may be included in a Supplemental Assessment made to all Owners. Subject to the rights of any Mortgagee, should the Improvements on any Parcel be taken by eminent domain or be conveyed by the Owner by deed in lieu thereof, the proceeds therefrom shall be used first to restore the remaining Improvements on the Parcel.

11.6. Duration and Termination. This Declaration shall continue in perpetuity unless and until the Declarant files of a notice of termination in the office of the Utah County Recorder at any time during the Period of Declarant Control, or the Members vote by not less than sixty-seven percent (67%) of all Members of the Association to terminate the Declaration and dissolve the Association. In the event this Declaration is terminated pursuant to this Section, this Declaration shall be terminated by recording a notice with the Utah County Recorder and the Association shall be dissolved in accordance with Utah law.

11.7. No Merger. The easements, covenants and restrictions and other provisions contained in this Declaration shall remain in full force and effect despite the fact that any of the Parcels may be owned by the same persons from time to time. It is the express intent of the Declarant to create a common scheme for the development and operation of the Project which will not be terminated by the doctrine of merger or otherwise unless this Declaration is terminated in accordance with the provisions hereof.

11.8. Assignment of Declarant's Rights and Remedies. Any and all of the rights, powers and reservations of Declarant herein contained may be assigned by Declarant to any person, corporation, association or other entity which assumes such assigned duties of Declarant hereunder. In the event that Declarant attempts to assign less than all of the rights, powers and reservations of Declarant set forth herein, then any such assignment

must specify which rights, powers and reservations are being assigned and the only party that shall be permitted to exercise a right reserved or granted unto Declarant shall be the party to whom such right has been assigned. To be effective, such assignment must be in writing, must be recorded in the office of the Utah County Recorder, State of Utah, and must specifically refer to the rights, powers and reservations of Declarant hereunder which are being assigned. Upon acceptance of such assignment by any such person or entity (such acceptance may be shown, among other ways, by execution of such assignment by such assignee, or by such assignee recording the assignment in the office of the Utah County Recorder, State of Utah) and recording of such assignment in the office of the Utah County Recorder, State of Utah, said assignee shall, to the extent of such assignment, assume, and be deemed to have assumed, Declarant's duties hereunder and shall have the same rights and powers and be subject to the same obligations and duties as are given to and assumed by Declarant herein. Upon such assignment and recording, and to the extent thereof, the party making such assignment shall be relieved from all liabilities, obligations and duties hereunder arising from and after the date of such assignment. Anything contained elsewhere herein to the contrary notwithstanding, the mere conveyance or transfer of ownership of the Property by Declarant to any person or party, whether by deed or other instrument of conveyance, shall in no way convey any right, power or reservation of Declarant hereunder. A successor to Declarant by reason of any merger or consolidation of the then Declarant shall automatically be deemed to have assumed Declarant's duties hereunder and shall have the same rights and powers and be subject to the same obligations and duties as are given to and assumed by Declarant herein.

11.9. Violation Creates Nuisance. Any violation of any provision, covenant, condition or equitable servitude contained in this Declaration, whether by act or omission, is hereby declared to be a nuisance and may be enjoined or abated, whether or not the relief sought is for negative or affirmative action, by any party entitled to enforce the provisions of this Declaration.

11.10. Violation of Law. Any violation of any federal, state, municipal or local law, ordinance, rule or regulation, pertaining to the ownership, occupation or use of any Property or Improvements within the Project, is hereby declared to be a violation of this Declaration and shall be subject to any and all of the enforcement procedures set forth in this Declaration.

11.11. No Third-Party Beneficiary. This Declaration has been executed and recorded for the benefit of Declarant and the Owners. Unless otherwise set forth herein with specificity which shall include the name of the party intended to be benefited by a specific provision of this Declaration, no other party shall be construed to be an intended third-party beneficiary of any of the rights, duties or obligations set forth herein, and no party other than Declarant or an Owner shall, therefore, have the right to enforce any provision hereof, unless such right shall be specifically set forth herein.

11.12. Words of Conveyance, The use of the word "grant," and any form thereof, as used in provisions of this Declaration to create or preserve easements, licenses or other rights and privileges described herein, shall be deemed to be construed in such manner as shall be required to give effect to the easement, license, right or privilege intended to be created or preserved by such provisions and, to the extent necessary to effect such result,

any use of the word "grant," or any form thereof, shall be deemed to include such other words of conveyance (e.g., reserve, quitclaim, convey, transfer, etc.) as may be required to give effect to the easement, license, right or privilege intended to be created or preserved.

11.13. Liberal Interpretation. The provisions of this Declaration shall be liberally construed as a whole to effectuate the purpose of this Declaration.

11.14. Captions. The titles, headings and captions used herein are for convenience only and are not a part of this Declaration and shall not be considered in construing, nor shall the same be used to limit or amplify, the terms and provisions hereof.

11.15. Invalidity of Provision. If any provision of this Declaration as applied to any circumstance shall be adjudged by a court of competent jurisdiction to be void or unenforceable for any reason, the same shall in no way affect (to the maximum extent permissible by law) any other provision of this Declaration, the application of any such provision under circumstances different from those adjudicated by the court, or the validity or enforceability of the Declaration as a whole.

11.16. Exhibits. All exhibits to this Declaration are incorporated herein by this reference.

[Signature Page Follows]



**EXHIBIT A**  
**TO**  
**MASTER DECLARATION**  
(Legal Description)

ENT 68347:2016 PG 31 of 45

**All Lots and Parcels - LEHI GATEWAY P.U.D PHASE 1, according to the official plat thereof as recorded concurrently herewith in the office of the Utah County Recorder's Office**

Boundary Description:

BEGINNING AT A POINT WHICH IS SOUTH 00°09'47" 1165.71 FEET AND EAST 378.46 FEET FROM THE NORTHWEST CORNER OF SECTION 18, TOWNSHIP 5 SOUTH, RANGE 1 EAST, SALT LAKE BASE AND MERIDIAN, AND RUNNING THENCE SOUTH 89°59'52" EAST 713.37; THENCE SOUTH 00°39'56" WEST 194.08 FEET; THENCE NORTH 89°20'04" WEST 4.71 FEET; THENCE SOUTH 00°39'56" WEST 2.00 FEET; THENCE NORTH 89°20'04" WEST 298.47 FEET TO THE POINT OF A 664.50 FOOT RADIUS CURVE TO THE RIGHT; THENCE ALONG SAID CURVE A DISTANCE OF 37.88 FEET THROUGH A CENTRAL ANGLE OF 3°15'57" (CHORD BEARS NORTH 87°42'05" WEST 37.87 FEET); THENCE NORTH 86°04'06" WEST 121.23 FEET TO THE POINT OF A 15.00 FOOT RADIUS CURVE TO THE LEFT; THENCE ALONG SAID CURVE A DISTANCE OF 24.59 FEET THROUGH A CENTRAL ANGLE OF 93°55'46" (CHORD BEARS SOUTH 46°58'01" WEST 21.93 FEET); THENCE SOUTH 00°00'08" WEST 68.82 FEET TO THE POINT OF A 772.48 FOOT RADIUS CURVE TO THE LEFT; THENCE ALONG SAID CURVE A DISTANCE OF 16.69 FEET THROUGH A CENTRAL ANGLE OF 1°14'15" (CHORD BEARS NORTH 88°42'30" WEST 16.69 FEET); THENCE NORTH 89°19'38" WEST 220.73 FEET; THENCE NORTH 39°28'06" WEST 39.41 FEET; THENCE NORTH 01°13'31" EAST 15.45 FEET TO THE POINT OF A 560.00 FOOT RADIUS CURVE TO THE RIGHT; THENCE ALONG SAID CURVE A DISTANCE OF 114.04 FEET THROUGH A CENTRAL ANGLE OF 11°40'04" (CHORD BEARS NORTH 07°03'33" EAST 113.84 FEET) TO THE POINT OF A 640.00 FOOT RADIUS CURVE TO THE LEFT; THENCE ALONG SAID CURVE A DISTANCE OF 105.91 FEET THROUGH A CENTRAL ANGLE OF 9°28'53" (CHORD BEARS NORTH 08°09'09" EAST 105.79 FEET) TO THE POINT OF BEGINNING.

CONTAINS 17 RESIDENTIAL LOTS

1 COMMERCIAL LOT

1 COMMON AREA

3.628 ACRES, MORE OR LESS

**All Lots and Parcels - LEHI GATEWAY P.U.D PHASE 2, according to the official plat thereof as recorded concurrently herewith in the office of the Utah County Recorder's Office**

Boundary Description:

BEGINNING AT A POINT WHICH IS SOUTH 00°09'47" 1165.74 FEET AND EAST 1091.83 FEET FROM THE NORTHWEST CORNER OF SECTION 18, TOWNSHIP 5 SOUTH, RANGE 1 EAST, SALT LAKE BASE AND MERIDIAN, AND RUNNING THENCE SOUTH 89°59'52" EAST 568.36 FEET; THENCE SOUTH 00°28'03" WEST 2.23 FEET; THENCE SOUTH 00°27'10" WEST 289.37 FEET; THENCE NORTH 89°19'38" WEST 120.56 FEET TO THE POINT OF A 15.00 FOOT RADIUS CURVE TO THE LEFT; THENCE ALONG SAID CURVE A DISTANCE OF 7.07 FEET THROUGH A CENTRAL ANGLE OF 27°00'48" (CHORD BEARS NORTH 13°32'09" EAST 7.01 FEET); THENCE NORTH 00°01'45" EAST 67.50 FEET TO THE POINT OF A 15.00 FOOT RADIUS CURVE TO THE LEFT; THENCE ALONG SAID CURVE A DISTANCE OF 23.40 FEET THROUGH A CENTRAL ANGLE OF 89°22'00" (CHORD BEARS NORTH 44°39'15" WEST 21.10 FEET); THENCE NORTH 89°20'15" WEST 115.09 FEET; THENCE NORTH 89°24'10" WEST 60.30 FEET; THENCE NORTH 89°22'55" WEST 64.78 FEET; THENCE NORTH 89°26'14" WEST 63.88 FEET; THENCE NORTH 89°19'52" WEST 67.61 FEET; THENCE NORTH 89°20'04" WEST 67.61 FEET; THENCE NORTH 00°39'56" EAST 2.00 FEET; THENCE SOUTH 89°20'04" EAST 4.71 FEET; THENCE NORTH 00°39'56" EAST 194.08 FEET TO THE POINT OF BEGINNING.

CONTAINS 28 RESIDENTIAL LOTS  
 1 COMMON AREA  
 2.846 ACRES, MORE OR LESS

**All Lots, Parcels, and Units - LEHI GATEWAY CONDOMINIUMS PHASE 1, according to the official plat thereof as recorded concurrently herewith in the office of the Utah County Recorder's Office**

Boundary Description:

BEGINNING AT A POINT WHICH IS SOUTH 00°09'47" 1429.28 FEET AND EAST 373.44 FEET FROM THE NORTHWEST CORNER OF SECTION 18, TOWNSHIP 5 SOUTH, RANGE 1 EAST, SALT LAKE BASE AND MERIDIAN, AND RUNNING THENCE SOUTH 89°19'38" EAST 220.73 FEET TO THE POINT OF AN 772.48 FOOT RADIUS CURVE TO THE RIGHT; THENCE ALONG SAID CURVE A DISTANCE OF 16.69 FEET THROUGH A CENTRAL ANGLE OF 1°14'15" (CHORD BEARS SOUTH 88°42'30" EAST 16.69 FEET; THENCE NORTH 00°00'08" EAST 68.82 FEET TO THE POINT OF A 15.00 FOOT RADIUS CURVE TO THE RIGHT; THENCE ALONG SAID CURVE A DISTANCE OF 24.59 FEET THROUGH A CENTRAL ANGLE OF 93°55'46" (CHORD BEARS NORTH 46°58'01" EAST 21.93 FEET); THENCE SOUTH 86°04'06" EAST 121.23 FEET TO THE POINT OF A 664.50 FOOT RADIUS CURVE TO THE LEFT; THENCE ALONG SAID CURVE A DISTANCE OF 37.88 FEET THROUGH A CENTRAL ANGLE OF 3°15'57" (CHORD BEARS SOUTH 87°42'05" EAST 37.87 FEET); THENCE SOUTH 89°20'04" EAST 298.47 FEET; THENCE SOUTH 00°39'56" WEST 4.00 FEET; THENCE SOUTH 05°00'43" WEST 17.55 FEET; THENCE SOUTH 00°39'56" WEST 22.24 FEET; THENCE SOUTH 00°46'43" EAST 45.14 FEET; THENCE SOUTH 89°19'38" EAST 574.30 FEET; THENCE SOUTH 00°27'10" WEST 23.08 FEET; THENCE NORTH 88°59'47" WEST 850.12 FEET TO THE POINT OF A 772.48 FOOT RADIUS CURVE TO THE RIGHT; THENCE ALONG SAID CURVE A DISTANCE OF 100.28 FEET THROUGH A CENTRAL ANGLE OF 7°26'16"



(CHORD BEARS NORTH 85°16'39" WEST 100.21 FEET) TO THE POINT OF A 772.48 FOOT RADIUS CURVE TO THE LEFT; THENCE ALONG SAID CURVE A DISTANCE OF 100.28 FEET THROUGH A CENTRAL ANGLE OF 7°26'16" (CHORD BEARS NORTH 85°16'39" WEST 100.21 FEET); THENCE NORTH 88°59'47" WEST 220.73 FEET; THENCE NORTH 39°28'06" WEST 20.59 FEET TO THE POINT OF BEGINNING.

CONTAINS 30 UNITS  
1.517 ACRES, MORE OR LESS

**All Lots, Parcels, and Units - LEHI GATEWAY CONDOMINIUMS PHASE 2, according to the official plat thereof as recorded concurrently herewith in the office of the Utah County Recorder's Office**

Boundary Description:

BEGINNING AT A POINT WHICH IS SOUTH 00°09'47" 1450.61 FEET AND EAST 1082.81 FEET FROM THE NORTHWEST CORNER OF SECTION 18, TOWNSHIP 5 SOUTH, RANGE 1 EAST, SALT LAKE BASE AND MERIDIAN, AND RUNNING THENCE NORTH 00°46'43" WEST 45.14 FEET; THENCE NORTH 00°39'56" WEST 22.24 FEET; THENCE NORTH 05°00'43" EAST 17.55 FEET; THENCE NORTH 00°39'56" EAST 4.00 FEET; THENCE SOUTH 89°20'04" EAST 67.71 FEET; THENCE SOUTH 89°19'52" EAST 67.61 FEET; THENCE SOUTH 89°26'14" EAST 63.88 FEET; THENCE SOUTH 89°22'55" EAST 64.78 FEET; THENCE SOUTH 89°24'10" EAST 60.30 FEET; THENCE SOUTH 89°20'15" EAST 115.09 FEET TO THE POINT OF A 15.00 FOOT RADIUS CURVE TO THE RIGHT; THENCE ALONG SAID CURVE A DISTANCE OF 23.40 FEET THROUGH A CENTRAL ANGLE OF 89°22'07" (CHORD BEARS SOUTH 44°39'15" EAST 21.10 FEET); THENCE SOUTH 00°01'45" WEST 67.50 FEET TO THE POINT OF A 15.00 FOOT RADIUS CURVE TO THE RIGHT; THENCE ALONG SAID CURVE A DISTANCE OF 7.07 FEET THROUGH A CENTRAL ANGLE OF 27°00'49" (CHORD BEARS SOUTH 13°32'17" WEST 7.01 FEET); NORTH 89°19'38" WEST 453.74 FEET TO THE POINT OF BEGINNING.

CONTAINS 30 UNITS  
0.930 ACRES, MORE OR LESS

**EXHIBIT B**  
**BY-LAWS OF**  
**LEHI GATEWAY MASTER HOMEOWNERS ASSOCIATION, INC**

THESE BYLAWS OF LEHI GATEWAY MASTER HOMEOWNERS ASSOCIATION, INC. are effective upon recording in the Utah County Recorder's Office pursuant to the Utah Condominium Ownership Act, Utah Community Association Act, and the Utah Revised Nonprofit Corporation Act (referred collectively herein as the "Acts").

**RECITALS**

1. The Association is organized for any and all lawful purposes for which a nonprofit corporation may be organized under the Utah Revised Nonprofit Corporation Act, as amended, subject to the terms and conditions contained in the Declaration and Articles of incorporation
2. These Bylaws are adopted in order to compliment the Declaration, to further define the rights of the Master Association and the Owners, to provide for the ability to effectively govern and operate the Association and the project known as Lehi Gateway Master Homeowners Association, Inc., and, to further the Association's efforts to safely, efficiently, and economically provide a quality living environment.

**DEFINITIONS**

Except as otherwise provided herein or as may be required by the context, all capitalized terms used herein shall have the same meaning and effect as used and defined in the Declaration.

**ARTICLE I**  
**APPLICATION**

All present and future Owners, Mortgagees, Occupants, and their invitees and guests, and any other persons who may use the facilities of the Project in any manner are subject to these Bylaws, the Declaration, and Rules. The mere acquisition or rental of any of the Units, or the mere act of occupancy or use of any said Lots, Units or the Common Areas, Maintenance Areas and Common Facilities will signify that these Bylaws, the Declaration, and the Rules are accepted, ratified, and will be complied with by said persons.

**ARTICLE II**  
**MASTER**

1. The Master. The Master is a Utah non-profit corporation (the "Master") composed of Members who are all Unit owners according to their Membership interests as provided in Article 4 of the the Master Declaration of Covenants, Conditions, and

Restrictions For Lehi Gateway Community (the "Declaration").

2. Annual Meetings. The annual meeting of the Owners shall be held each year between the months of May and July on a day and at a time established by the Board of Directors. The purpose of the annual meeting shall be to transact business as may come before the meeting. The Board of Directors may from time to time by resolution change the month, date, and time for the annual meeting of the Owners.

3. Special Meetings. Special meetings of the Owners may be called by a majority of the Board of Directors, the Declarant, the President, or upon the written request of Owners holding not less than forty percent (40%) of the voting interests of the Association. Any written request for a special meeting presented by the Owners shall be delivered to the President and shall include the original signature of each Owner affirmatively supporting such request along with a complete statement of the purpose of the meeting on each page containing signatures. The President shall then call, provide notice of, and conduct a special meeting within 45 days of receipt of the request.

4. Place of Meeting. Meetings of the Master shall be held at the principal office of the Master or at such other suitable place as may be designated by the Board from time to time and stated in the notice of meeting.

5. Notice of Meeting. It shall be the duty of an officer of the Association to hand deliver, mail by first-class mail, postage prepaid, by facsimile transmission, or by email transmission addressed to each Owner at the Owner's last known address, facsimile number, or email address as the same shown on the records of the Master notice of (a) each annual meeting of the Master not less than fifteen (15) and not more than sixty (60) days in advance of such meeting. The notice shall state the purpose, day, date, time and place of the meetings. The mailing or proof of transmission via facsimile or email of a notice of meeting in the manner provided in this Section shall be considered service of notice.

6. Qualified Voters. An Owner shall be deemed to be in "good standing" and "entitled to vote" at any meeting of the Master if he is in full compliance with all of the terms, covenants, and conditions of the Project Documents, and shall have fully paid his share of the Common Expenses and all Assessments and/or Additional Charges due (together with any interest and/or late fees) at least 48 hours prior to the commencement of the meeting.

7. 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 number of votes appertaining to the Lot or Unit of such Owner, as set forth in the Declaration or Sub-Association Declaration. The affirmative vote of a majority of the votes 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 Owner, unless a greater proportion is required by the Articles of Incorporation, these Bylaws, or the Declaration. When a Unit is jointly owned, any Owner may exercise the vote for such Unit on behalf of all Co-Owners of the Unit. In the event of two (2) conflicting votes

by Co-Owners of one (1) Unit, no vote shall be counted for that Unit. In no event shall fractional or cumulative votes be exercised with respect to any Unit.

8. Proxies. The votes appertaining to any Member may be cast pursuant to a proxy or proxies duly executed by or on behalf of the Unit Owner, or in cases where the Owner is more than one person, by or on behalf of all such persons. Any proxy shall be void if it is not dated, if it purports to be revocable without notice, or if it is not signed by an authorized Unit Owner. Unless it expressly states otherwise, a proxy shall terminate automatically (a) if the Owner attends the meeting in person, (b) it is revoked in writing and written notice of the revocation is given to the secretary of the Master prior to the meeting, and (c) upon the adjournment of the first meeting held on or after the date of that proxy. Each proxy must be filed with the Secretary of the Master prior to the meeting. Only individual Owners or the legal representative of an institutional Owner may be proxies.

9. Quorum Voting. Thirty-three percent (33%) of the members of the Master shall constitute a quorum at a duly noticed Meeting of the Members of the Master. If, however, such quorum shall not be present or represented at any meeting, the President or the Members entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting and reschedule for a time no earlier than twenty-four (24) hours, nor later than thirty (30) days after the set time for the original meeting. No notice of such rescheduled meeting shall be required except an oral announcement at the meeting to be rescheduled. If at least 20% of total Owners are present, either in person or by proxy, at the rescheduled meeting such number shall constitute a quorum for the conduct of the business of the meeting. When a quorum is present at any meeting, the vote of the Owners representing a majority of the members of the Master then present in person or by proxy, shall decide any question brought before the meeting. If the Declaration requires a fixed percentage of Owners to approve any action, however, that percentage shall be required, anything herein to the contrary notwithstanding.

10. Conduct of Meeting of Members and of the Board. The President, or in his absence, the Vice-President, shall preside at and conduct all meetings of the Master; and the Secretary shall keep the minutes of the meeting as well as record of all transactions occurring thereat.

11. Waiver of Irregularities. All inaccuracies and irregularities in calls or notices of meetings and in the manner of voting, in the form of proxies and the method of ascertaining Owners present, and in the decision and votes of the Board of Directors or of the Owners shall be deemed waived if no objection is made either at the meeting or within thirty (30) days of the date of the meeting, or within thirty (30) days of notice of any decision by the Board. The presence of an Owner in person at any meeting of the Owners shall be deemed a waiver on any notice requirements.

12. Action May Be Taken Without a Meeting. Any action to be taken at the meeting of the Board or any action that can be taken at a meeting of the Board may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all the members of the Board. An explanation of the action taken shall be posted

at a prominent place or places within the common areas within three (3) days after the written consents of all of the members of the Board have been obtained.

13. Executive Session. The Board, with approval of a majority of a quorum, may adjourn a meeting and reconvene an executive session to discuss and vote upon personnel matters, litigation or threatened litigation in which the Master is or may become involved, and orders of business of a privileged, confidential, sensitive or similar nature. The nature of any and all business to be considered in an executive session shall first be announced in open session.

### ARTICLE III BOARD OF DIRECTORS/TRUSTEES

1. Powers and Duties. The affairs and business of the Master shall be managed by the Board of Directors/Trustees (the "Board") consisting of five (5) Owners who shall also serve as the Board of Directors/Trustees of the Master. The Board shall have all of the powers and duties necessary for the administration of the affairs of the Master in accordance with the provisions of the Declaration and may do all such acts and things necessary to operate and maintain the Master. The Board shall have the power from time to time to adopt any Rules and Regulations deemed proper for the exercise of its management powers. The Board may delegate its authority to a manager or managers. Subject to any limitations or provisions contained in the Declaration, including the following;

- a) Preparation of an annual budget;
- b) Allocating the Common Expenses;
- c) Providing for the operation, care, upkeep, replacement, maintenance, and regulation of all the Maintenance Areas and Common Facilities;
- d) Designating, hiring, and dismissing the personnel necessary to operate and maintain the Project;
- e) Collecting and depositing the Assessments;
- f) Making, amending, and enforcing the Rules and Regulations;
- g) Opening and closing of bank accounts for and in behalf of the Master, and designating the signatories required therefor;
- h) Making, or contracting for the making of, repairs, additions, and improvements to, or alterations of, the Property and repairs to, and restoration of, the Property, in accordance with the Declaration and other provisions of the By-Laws, after damage or destruction by fire or other casualty;
- i) Enforcing by legal means the Project Documents;

- j) Purchasing and maintaining insurance;
- k) Paying the cost of all services rendered to the Master and not billed directly to Owners or individual Units;
- l) Keeping books and records with detailed accounts of the receipts and expenditures affecting the Property, and the administration of the Master, specifying the maintenance and repair expenses of the Maintenance Areas and Common Facilities and any other expenses incurred. Said documents, books, financial statements, and vouchers accrediting the entries thereupon shall be available for examination by the Owners, their duly authorized agents or attorneys, during general business hours on working days at the times and in the manner that shall be set and announced by the Board for the general knowledge of the Owners. All books and records shall be kept in accordance with generally accepted accounting practices, and the same, upon a resolution approved by a majority of the Members of the Master, shall be formally Audited by an outside auditor employed by the Board who shall not be a resident of the Project or an Owner therein. The cost of such Audit shall be a Common Expense. Copies of books and records, financial statements, reports, compilations, and Audits shall be supplied to any first mortgagee of any Unit in the Project who requests the same in writing from the Secretary. A mortgage holder, at its expense, may have an Audited financial statement prepared at any time.
- m) Providing, where necessary, all water, electricity, and other necessary utility services for the Maintenance Areas and Common Facilities and such services to the Units, including but not limited to heating, as are not separately metered or charged to the Owners;
- n) Making emergency repairs;
- o) At the sole expense and risk of the owner, impounding, immobilizing, towing or otherwise removing any motor vehicle parked, stored or standing in violation of the parking rules and regulations or in an unauthorized area;
- p) Assigning or leasing overflow parking spaces to residents and/or establishing handicap parking;
- q) Establishing and collecting user fees; and
- r) Doing such other things and acts necessary to accomplish the foregoing and not inconsistent with the Declaration or By-Laws, or to do anything required by a proper resolution of the Board or Master.

2. Composition of Board. During the Period of Declarant Control, Declarant shall have the right to determine the size, composition, and qualifications of the Board and to appoint the entire Board. Following transfer of Declarant Control the Board shall be shall be comprised of five (5) Trustees, three (3) of which shall be the members of the Board of

Lehi Gateway Condominium Owners Association Inc. and two (2) of which shall be appointed by and from the Board of Lehi Gateway Townhomes Owners Association Inc. The third member of the Lehi Gateway Townhomes Owners Association Inc. may serve as a non-voting advisory member of the Board.

3. Election and Term of Office of the Board. The term of office of membership on the Board shall be consistent with the term as set forth in the Declaration for the Sub-Associations. At the expiration of the member's term under the Sub-Association, a successor shall be elected.

4. Regular Meetings. Regular meetings of the Board shall be held from time to time and at such time and place as shall be determined by a majority of the members of the Board. Members of the Board shall be permitted to attend regular and special meetings via telephone conference, and for purposes of quorum, participation via telephone conference shall be deemed sufficient for conducting the Board's business and voting.

5. Special Meetings. Special meetings of the Board may be called by the President, Vice President, or a majority of the members on at least forty-eight (48) hours prior notice to each member. Such notice shall be given personally, by regular U.S. Mail postage prepaid, by telephone, or via email, and such notice shall state the time, place, and purpose of the meeting. Any meeting attended by all members of the Board shall be valid for any and all purposes.

6. Waiver of Notice. Before or at any meeting of the Board, any member may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member at any meeting of the Board shall constitute a waiver of notice. If all the members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

7. Board's Quorum. At all duly called meetings of the Board, a majority of the members then in office shall constitute a quorum for the transaction of business, and the acts of the majority of all the Board members present at a meeting at which a quorum is present shall be deemed to be the acts of the Board.

8. Vacancies and Newly Created Board Memberships. If vacancies shall occur in the Board for any reason during the Period of Declarant Control, the Declarant shall elect the Board Member to fill the vacancy. Following the Period of Declarant Control, vacancies in the Board caused by any reason other than removal of a member by a vote of the Members of the Master shall be filled by vote of the majority of the remaining members of the Board at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy, even though the total members remaining may constitute less than a quorum of the Board; and each person so elected shall be a member of the Board for the unexpired term of the member replaced. A vacancy created by the removal of a member by a vote of the Members shall be filled by the election and vote of the Members. If a resignation is submitted upon appointment of a successor, the

departing Board Member(s) may participate in the decision to fill the pending vacancy.

9. Removal of Board Member. A member of the Board may be removed with or without cause, and his successor elected, at any duly called regular or special meeting of the Members at which a quorum of the Members is present, by an affirmative vote of a majority of the members of the Master. Any member whose removal has been proposed by the Owners shall be given at least thirty days' notice of the calling of the meeting and the purpose thereof and an opportunity to be heard at the meeting. Absence from 25% or more of Board Meetings or from three successive meetings shall be grounds for removal.

10. Conduct of Meetings. The President shall preside at all meetings of the Board and the Secretary shall keep a Minute Book of the Board recording therein all resolutions adopted by the Board and the results of all elections of Officers and Trustees.

11. Report of Board. The Board shall present at each annual meeting, and when called for by vote of the Members at any special meeting of the Master, a statement of the operations and financial condition of the Master.

12. Compensation. No Board Member shall receive compensation for any services that such member may render to the Association as a Board Member; provided, however, that a Board Member may be reimbursed for expenses incurred in performance of such duties as a Board Member to the extent such expenses are approved by a majority of the other Board Members. Nothing herein contained shall be construed to preclude any Board Member from serving the Project in any other capacity and receiving compensation therefore, so long as approved in advance by a majority of disinterested Board Members.

#### ARTICLE IV OFFICERS

1. Designation. The principal officers of the Master shall be a President, a Vice-President, a Secretary and a Treasurer. The Board may appoint assistant secretaries and such other officers as in its judgment may be necessary. The President, Secretary and Treasurer must be members of the Board. Two or more offices may be held by the same person, except that the President shall not hold any other office.

2. Election of Officers. The officers of the Master shall be appointed annually by the Board at the first meeting of each Board immediately following the annual meeting of the Master and shall hold office at the pleasure of the Board. Any vacancy in an office shall be filled by the Board at a regular meeting or special meeting of the Board.

3. Removal of Officers. The officers shall hold office until their respective successors are chosen and qualify in their stead. Any officer elected or appointed by the Board may be removed at any time by the affirmative vote of a majority of the Board, and his successor may be appointed at any regular meeting of the Board, or at any special meeting of the Board called for such purposes.



4. President. The President shall be the chief executive officer; he shall preside at meetings of the Master and the Board and shall be an ex officio member of all Boards; he shall have general and active management of the operations of the Board and shall see that all orders and resolutions of the Board are carried into effect. He shall have all of the general powers and duties which are usually vested in or incident to the office of president of a corporation organized under the laws of the State of Utah.

5. Vice-President. The Vice-President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President, and shall perform such other duties as the Board or the President shall prescribe. If neither the President nor the Vice President is able to act, the Board shall appoint a member of the Board to do so on an interim basis.

6. Secretary. The secretary shall attend all meetings of the Board and all meetings of the Master and record all votes and resolutions in minutes kept by him for that purpose and shall perform like duties for committees when required. The secretary shall give, or cause to be given, notices for all meetings of the Master and the Board and shall perform such other duties as may be prescribed by the Board. The Secretary shall compile and keep current at the principal office of the Master, a complete list of the Owners and their last known post office addresses. This list shall be open to inspection by all Owners and other persons lawfully entitled to inspect the same, at reasonable hours during regular business days. The Secretary shall also keep current and retain custody of the Minute Book of the Master, containing the minutes of all annual and special meetings of the Master and all sessions of the Board including resolutions. Members may also elect to receive email notification of Meetings and other communications.

7. Treasurer. The Treasurer shall have responsibility for the custody and control of all funds and securities of the Master and shall keep full and accurate records of receipts and disbursements, shall prepare all required financial data, and shall deposit all monies and other valuable effects in such depositories as may be designated by the Board. The treasurer shall disburse funds as ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and members, at the regular meetings of the Board, or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Master.

8. Compensation. No officer shall receive compensation for any services rendered to the Association as an officer, provided, however, that an officer may be reimbursed for expenses incurred in performance of such duties as an officer to the extent such expenses are approved by the Board.

#### ARTICLE V FISCAL YEAR

The fiscal year of the Master shall be the calendar year consisting of the twelve (12) month period commencing on January 1 of each year terminating on December 31 of the

same year. The fiscal year herein established shall be subject to change by the Board should it be deemed advisable or in the best interests of the Master.

## ARTICLE VI INVESTMENT OF COMMON FUNDS

Funds of the Master may only be deposited into institutions which are federally insured.

## ARTICLE VII AMENDMENT TO BY-LAWS

1. Amendments by Declarant. During the Period of Declarant Control, the Declarant acting alone may amend, alter, or repeal and adopt new Bylaws, without the approval of the Owners, for any reason. No other amendment shall be valid or enforceable during the Period of Declarant Control unless the Declarant has given written consent to such amendment. Any amendment during the Period of Declarant Control shall be executed by Declarant on behalf of the Association and shall become effective upon recordation in the office of the recorder of Utah County, State of Utah.

2. Amendments by Board. These By-Laws may be modified or amended either (a) by the affirmative vote of a majority of the members of the Master or (b) pursuant to a written instrument of consent duly executed by a majority of the Board; provided, however, all of the written consents must be obtained within a ninety (90) day period.

3. Recording. An amendment to these By-Laws shall become effective immediately upon recordation in the Office of the County Recorder of Utah County, State of Utah.

## ARTICLE VIII INDEMNIFICATION

1. Indemnification. In addition to the indemnification provisions and requirements set forth in the Declaration, no Board Member, officer, or committee member shall be personally liable for any obligations of the Association or for any duties or obligations arising out of any acts or conduct said Board Member, officer, or 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 Board Member, officer, or committee member of the Association, 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 Board Member, officer, or committee member of the Association or by reason of any action alleged to have been heretofore or hereafter taken or omitted to have been taken by him as such Board Member, officer, or committee member and shall reimburse any such person for all legal and other expenses reasonably incurred in connection with any such claim or liability; provided 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 willful or 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. The Association, its Board Members, officers, committee members, employees, and agents shall be fully protected in taking any action or making any payment or in refusing so to do in reliance upon the advice of counsel.

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 under the Acts or under any agreement, vote of disinterested Board 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. It is the intent hereof that all Board Members, officers, and committee members be and hereby are indemnified to the fullest extent permitted by the laws of the State of Utah and these Bylaws. The indemnification herein provided shall continue as to any person who has ceased to be a Board Member, officer, committee member, or employee and shall inure to the benefit of the heirs, executors and administrators of any such person.

3. Insurance. The Board of Directors, in its discretion, may direct that the Association purchase and maintain insurance on behalf of any person who is or was a Board Member, officer, committee member, or employee of the Association or is or was serving at the request of the Association as a Board Member, officer, committee member, employee, or agent of another association, corporation, partnership, joint venture, trust or other enterprise against any liability asserted against, and incurred by, such person in any such capacity or arising out of such person's status as such, whether or not the Association would have the power to indemnify such person against liability under the provisions of this Article VIII.

4. Settlement by Association. The right of any person to be indemnified shall be subject always to the right of the Association through the Board of Directors, 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 IX NOTICE

1. Manner of Notice. All notices, demands, bills, statements, or other communications provided for or required under these By-Laws (except as to notices of Master meetings which were previously addressed in Article II of these By-Laws) shall be in writing and shall be deemed to have been duly given if delivered personally or sent by regular U.S. Mail postage prepaid, a) if to an Owner, at the address of his Unit and at such other address (including email) as the Owner may have designated by notice in writing to the Secretary; or b) if to the Board or the Manager, at the principal office of the Manager or at such other address as shall be designated by notice in writing to the Owners pursuant to

this Section.

2. Waiver of Notice. Whenever any notice is required to be given under the provisions of the statutes, the Declaration, or of these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether signed before or after the time stated therein, shall be deemed equivalent thereto, unless such waiver is ineffective under the provisions of the Declaration.

ARTICLE X  
COMPLIANCE, CONFLICT, AND MISCELLANEOUS PROVISIONS

1. Conflict. These By-Laws are subordinate and subject to all provisions of the Declaration. All of the terms hereof, except where clearly inconsistent with the context, shall have the meaning as they are defined in the Declaration. In the event of any conflict between these By-Laws and the Declaration, the provision of the Declaration shall control.

2. Waiver. No restriction, condition, obligation, or provision of these By-Laws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.

3. Captions. The captions contained in these By-Laws are for convenience only and are not intended in any way to limit or enlarge the substantive meaning and provisions of these By-Laws.

4. Interpretation. Whenever in these By-Laws the context so requires, the singular number shall refer to the plural and the converse when so required. The use of gender related terms shall be deemed to include the term required by the context or circumstances. The term "shall" is mandatory while the term "may" is permissive.

5. Severability. The invalidity of any one or more phrases, sentences, subparagraphs, subsections or sections hereof shall not affect the remaining portions of this instrument or any part thereof, and in the event that any portion or portions of this document should be invalid or should operate to render this document invalid, this document shall be construed as if such invalid portion had not been included.

Dated the \_\_\_\_ day of July, 2016

LEHI GATEWAY MASTER HOMEOWNERS ASSOCIATION, INC.

IN WITNESS WHEREOF, the Declarant on behalf of the Association has executed this instrument the day and year set forth below.

By: Steven Maddox  
Name: Steven Maddox  
Title: Manager

ACKNOWLEDGMENT

STATE OF UTAH )  
   )  
   ss:  
COUNTY OF Utah )

The foregoing instrument was acknowledged before me this 30 day, June 2016 by Steven Maddox, Manager of Edge Gateway, LLC, a Utah limited liability company, and said person duly acknowledged to me that Edge Gateway, LLC executed the same.

[Signature]  
NOTARY PUBLIC

