

When Recorded Mail to:  
Stephen K. Christensen  
NELSON RASMUSSEN & CHRISTENSEN, P.C.  
576 East South Temple  
Salt Lake City, Utah 84102



\*W1814502\*

**UMBRELLA DECLARATION  
OF  
COVENANTS, CONDITIONS, RESTRICTIONS AND  
RESERVATION OF EASEMENTS FOR  
COLONIAL SPRINGS  
(GRANTING CROSS ACCESS EASEMENTS AND PROVIDING FOR THE  
MAINTENANCE OF COMMON ROADWAYS AND PARKS AND PAYING FOR  
COMMON UTILITY SERVICES)**

**E# 1814502 BK2193 PG2119  
DOUG CROFTS, WEBER COUNTY RECORDER  
13-DEC-01 901 AM FEE \$90.00 DEP JPM  
REC FOR: BONNEVILLE.TITLE**

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This Umbrella Declaration of Covenants, Conditions, Restrictions and Reservation of Easements For Colonial Springs ("Declaration") is made and executed this 30th of November, 2001 by NBD DEVELOPMENT, LLC, a Utah limited liability company ("Declarant").

RECITALS

A. Declarant is the owner of three parcels of real property in Harrisville, Weber County, State of Utah, which is more particularly described in Exhibit "A" (the "Cottages Property"), Exhibit "B" (the "Townhome Property") and Exhibit "C" (the "Condominium Property"). (Sometimes referred to individually as "Property" and collectively "Properties").

B. The Declarant intends, by recording this Declaration, and the plat maps ("Plat") in the Office of the County Recorder of Weber County, State of Utah, to impose upon the Properties mutually beneficial obligations, rights and restrictions under a general plan of improvement for the benefit of all the Properties and all futures owners thereof.

C. Certain utility providers have required single master meters and common utility service for all of the properties, resulting in the need for a means of collecting fees for such services from individual Property owners. The Declarant further intends to provide cross easements as well as establish an association which shall administer certain common utility services and maintain certain common areas, which will serve and benefit all of the Properties.

NOW THEREFORE, for the forgoing purpose, the Properties are and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens hereinafter set forth.

DEFINITIONS  
ARTICLE I

1 When used in this Declaration, and in the Bylaws which are made a part of this Declaration and are attached hereto as Exhibit "E", the following terms shall have the meaning indicated.

1.1 "Association" means the Colonial Springs Association, Inc. As well as the respective Homeowner's Associations of each Property, acting as a group in accordance with this Declaration and the Bylaws.

1.2 "Capital Improvement" shall mean and refer to all the total capital invested in fixed assets, including but not limited to the roads, landscaping, main water lines, Common Areas and/or to adapt such assets for new uses or other purposes, but excluding current or operating expenses for the regular maintenance and ordinary repairs.

1.3 "Common Areas and Facilities" or "Common Areas" shall mean, refer to, and include:

1.3.1 The real property, common utilities, and improvements to real property set forth on Exhibit "D."

1.3.2 All roadways, curb, gutter, walkways, pedestrian sidewalks, landscape and planting areas, fences, outdoor or street lights and other common facilities on the real property set forth on Exhibit "D".

1.4 "Common Expenses" shall mean and refer to all sums which are expended on behalf of the Association and all sums which are required by the Directors to perform or exercise the functions, duties, or rights under this Declaration, and such Rules and Regulations as the Directors may from time to time make and adopt. By way of illustration but not limitation, Common Expenses shall include: (i) expenses of administration, maintenance, operation, repair, and replacement of those elements of Common Areas and Facilities that must be replaced on a periodic basis, and other reserves as may be from time to time established pursuant to the Declaration; (ii) expenses agreed upon as Common Expenses by the Association and lawfully assessed against the respective Owner's Associations in accordance with the Declaration; (iii) expenses declared Common Expenses by the provisions of the Act or by this Declaration or by the Bylaws; (iv) commonly metered utilities for the Properties, including but not limited to culinary water, sanitary sewer, storm sewer and electricity.

1.5 "Declarant" shall mean and refer to NBD DEVELOPMENT, LLC, a Utah limited liability company and its successors and assigns.

1.6 "Declaration" shall mean and refer to this document, as the same may be amended from time to time

1.7 "Improvement" shall mean any physical change to the Common Areas to make it more valuable, including but not limited to all roadways, walkways, sprinkler pipes, roads, driveways, parking areas, fences, walls, stairs, landscaping, trees and shrubs.

1.8 "Insurer" or "Guarantor" shall mean and include an insurer or governmental guarantor of a mortgage, which has requested notice in writing or certain matters from the Association.

1.9 "Manager" shall mean the person, firm or company designated from time to time by the Association to manage, in whole or in part, the affairs of the Association and the Project.

1.10 "Directors" or "Committee" shall mean and refer to the Directors of the Colonial Springs Association created in Article III, Section 3.14 and governed by the Declaration, Bylaws, the Rules and Regulations and the Articles. It shall act as the governing body of the Colonial Springs Association.

1.11 "Map" or "Record of Survey Map" or "Plat" shall mean and refer to the record of Survey Map or other Plats for individual phases recorded with the office of the Weber County Recorder, as may be amended from time to time, prepared and certified to by Randy Williford of Reeve & Associates, a duly Registered Land Surveyor having Certificate No. 159437 and titled Colonial Springs. A preliminary map of the entire Colonial Springs project is attached hereto as Exhibit "F."

1.12 "Mortgage" shall mean and include both a first mortgage or a first deed of trust or other security instrument by which a Unit or any part thereof is encumbered.

1.13 "Mortgagee" shall mean any person, institution or company named as a Mortgagee or beneficiary under or holder of a deed of trust.

1.14 "Owner" shall mean any fee owner of any condominium, townhome or cottage on the Properties.

1.15 "Owner's Association" shall refer generally to each of the following associations which are or shall be formed in connection with the development of the Properties: The Cottages at Colonial Springs Owner's Association, The Newtowne Square at Colonial Springs Owners Association and The Georgian at Colonial Springs Owner's Association.

1.16 "Par Value" shall mean and refer to the number of points (percentage) assigned to each Owner's Association by the formula set forth in this Declaration.

1.17 "Percentage Interest" shall mean that portion of voting rights in the Association. Each Owner's Association shall hold 1/3 or 33.3% of the voting rights of the Association.

1.18 "Property" shall mean and refer to the real property set forth on Exhibit "A through "C."

1.19 "Rules and Regulations" means those rules and regulations adopted from time to time by the Directors that are deemed necessary for the enjoyment of the Project, provided they do not conflict with the Bylaws or the Declaration.

## ARTICLE II SUBMISSION

2 The Declarant, as owner of the Properties described in Exhibit "A," "B" and "C", which Exhibits are attached hereto and incorporated herein by this reference, ("Properties"), located in Weber County, Utah, hereby submits the Properties, the Buildings and all other improvements now or hereafter made in or upon the Properties to the provisions of this Declaration. The Properties are and shall be subject to the covenants, conditions, restrictions, uses, limitations, and obligations set forth, herein, each and all of which are declared and agreed to be for the benefit of said Properties and in furtherance of a plan of improvement of said Properties and division thereof; further, each and all of the provisions hereof shall be deemed to run with the Properties and shall be a burden and a benefit on the Properties and shall be binding upon the Declarant, its successors and assigns, and to any person acquiring, leasing, or owning an interest in the real property and improvements comprising any part of the Properties and to their respective personal representatives, heirs, successors, and assigns.

## ARTICLE III COVENANTS, CONDITIONS, AND RESTRICTIONS

3 The submission of the Properties to the provisions of this Declaration is made upon and under the following covenants, conditions and restrictions:

3.1 Description of Improvements. Certain improvements common to all of the Properties are now or will be located upon the Properties as described on the Plat. The improvements subject to this Declaration includes asphalt roadways, curb, gutter, sidewalks, storm sewer, open areas, signage, and outdoor lighting and landscaping in the areas described on Exhibit "D."

3.2 Common Areas and Facilities. Ownership of the Common Areas within each Property shall be as set forth in the respective Declarations for each Property. Each other Owner of any portion of the Property shall have an easement for access, ingress and egress on and over the Common Areas set forth on Exhibit "D." The Association shall have a blanket easement on, under over and across the Common Areas described on Exhibit "D" for purposes of repair and maintenance of the Common Areas, and running, repair, installation and service of common utilities located within the Common Areas.

3.3 Each Owner's Association shall own the common utilities located within the common area of each Property and shall be responsible for repair and maintenance of the same. The Association shall be established for the collection of assessments for the landscaping, repair, maintenance, of the Common Areas set forth on exhibit "D" as well as the collection and payment of common utilities such as culinary water, irrigation water and common electricity for the Properties.

3.4 Voting. Each Owner's Association shall have a 1/3 ownership and voting interest in the Association.

3.5 Computation of Percentage Interests. The proportionate share each Owner's Association shall bear for assessments, charges, expenses, Capital Improvements and Common Expenses shall be determined by the following formula:

3.5.1 Each Owner's Association shall be responsible for the number of Units then existing in that particular Owner's Association divided by the total number of units in all of the Properties. For example, if the Cottages has 20 total units and the Townhomes has 30 total units and the condominiums has 50 total units, the proportionate share of each Owner's Association in the expenses of the Association would be 1/5th or 20%, 3/10ths or 30% and 1/2 or 50%, respectively.

3.6 Association Membership. Each Owner's Association's Membership in the Association shall be automatic, and shall be appurtenant to the Properties.

3.7 Easement for Encroachment. If any part of the Common Areas encroach or shall hereafter encroach upon any portion of the Properties, an easement for such encroachment and for the maintenance for the same shall and does exist. Such encroachments shall not be considered encumbrances to the Common Areas. Encroachments referred to herein include, but are not limited to, encroachments caused by error in the original construction of any Building in the Project, by error in the Map, by settling, rising or shifting of the earth, or by changes in position caused by repair or reconstruction of the Project or any part thereof.

3.8 Access for Repair of Common Areas. Some of the Common Areas are or may be located within the Properties or may be conveniently accessible only through the Properties. The Association shall have the irrevocable right, to be exercised by the Directors, as its agent, to have access to the Properties and to all Common Areas from time to time during such reasonable hours as may be necessary for the maintenance, repair or replacement of any of the Common Areas located therein or accessible therefrom or for making emergency repairs therein necessary to prevent damages to the Common Areas or to the Properties.

3.9 Right of Ingress, Egress. Each Member and each Owner within each Member shall have the right to ingress and egress over, upon and across the Common Areas necessary for access to his Unit, and to the common areas designated for use in connection with his/her Unit, as set forth

in the respective Declarations for the Properties and such rights shall be appurtenant to and pass with the title to each Unit.

3.10 Easement to Board of Directors. The Board of Directors shall have non-exclusive easements to make such use of the Common Areas as may be necessary or appropriate to perform the duties and functions which it is obligated or permitted to perform pursuant to this Declaration.

3.11 Easement for Utility Services. There is hereby created a blanket easement upon, across, over and under the Properties described in Exhibit "A", Exhibit "B", and Exhibit "C" for ingress, egress, installation, replacing, repairing and maintaining all Common Areas and Facilities, including by not limited to water utilities, sewer, gas, telephone, electricity and other utility services.

3.12 Easement for use of Recreational Areas and Facilities. All Owners of Units are hereby granted a non-exclusive right and easement of enjoyment in common with others of the amenities and recreational facilities constituting a portion of the Common Areas of the Project.

3.13 Enforcement. The Board of Directors may impose a special assessment upon any Owner's Association which violates the Declaration, in an amount up to the amount of the Association's insurance deductible or an amount equal to the actual out-of-pocket expenses incurred by the Directors to remedy the violation, including attorney's fees.

3.14 Status & General Authority of the Directors.

3.14.1 A Board of Directors, composed of at least (3) persons, elected by the Association, shall govern the affairs of the Association. The Board of Directors shall have the power to manage the Association in accordance with the Act, this Declaration and the Bylaws. The Declarant may appoint and remove all members of the Directors, and exercise all powers and responsibilities delegated by this Declaration and the Act toward the Association, its officers and the management Committed for a period ending the earlier of (a) four (4) years after the date the first conveyance of a Unit to a purchaser is made, or (b) until 120 days after the date by which seventy-five percent (75%) of all possible Units have been conveyed to Unit purchasers.

3.14.2 The Common Areas and Facilities shall be managed, operated, and maintained by the Association through the Board of Directors exclusively as agent of, and in the name of, the Association and any act performed by the Board of Directors pursuant to this Declaration or the Bylaws, as the same may be amended from time to time, shall be deemed to be performed by the Association as its agent. The Association shall be responsible to keep all such Common Areas and Facilities in good, clean, attractive, safe and sanitary condition, order, and repair. The Board of Directors, shall have, and is hereby granted, the following authority and powers to perform their duties:

3.14.2.1 The authority, without the vote or consent of the Unit Owners or of any other person(s), to grant or create, on such terms as it deems advisable,

utility and similar non-exclusive easements over, under, across and through the Common Areas and Facilities.

3.14.2.2 The authority to execute and record, on behalf of all the Unit Owners, any amendment to the Declaration or Map which has been approved by the vote or consent necessary to authorize such amendment as set forth in Section 3.20.

3.14.2.3 The power to sue and be sued.

3.14.2.4 The authority to enter into contracts which in any way concern the Project, so long as any vote or consent of the Unit Owners necessitated by the subject matter of the agreement has been obtained.

3.14.2.5 The power and authority to convey or transfer any interest in real property authorized by the Owner's Associations having an interest therein or the consent required by Section 3.20.

3.14.2.6 The power and authority to purchase, otherwise acquire, and accept title to, any interest in real property, so long as such action has been authorized by any vote or consent which is necessary under the circumstances.

3.14.2.7 The power and authority to borrow money, provided that no indebtedness for borrowed funds shall exceed at any given time the sum of \$10,000 without the prior written approval of the majority of the Unit Owners at a meeting duly called at which a quorum is present.

3.14.2.8 The authority to promulgate such reasonable Rules and Regulations, and procedures as may be necessary or desirable to aid the Board of Directors in carrying out any of its functions or to insure that the Project is maintained and used in a manner consistent with the interest of the Owner's Associations.

3.14.2.9 The power and authority to perform any other acts and to enter into any other transactions which may be reasonably necessary for the Board of Directors to perform its functions as agent of the Association.

3.14.2.10 Any instrument executed by the Board of Directors that recites facts which, if true, would establish the Board's power and authority to accomplish through such instrument what is purported to be accomplished thereby, shall conclusively establish said power and authority in favor of any person who in good faith and for value relies upon the instrument.

3.15 Project Manager. The Board may carry out any of its functions, which are capable



of delegation, through a Project Manager. Any Manager retained for such purposes must be an individual or entity experienced and qualified in the field of property management. The Manager so engaged shall be responsible for managing the Project for the benefit of the Owner's Associations and shall, to the extent permitted by law and the terms of the agreement with the Board, be authorized to perform any of the functions or acts required or permitted to be performed by the Directors themselves. Any agreement for such professional management of the Project which may be entered into by the Board or the Association, shall call for a term not to exceed two (2) years, if negotiated by Declarant or 1 to 3 years if negotiated by the Board of the Association and shall provide that for cause such Agreement may be terminated by the Board or by the Association upon at least thirty (30) days written notice.

3.16 Composition of Board. The Board shall be composed of three members. At or after the first annual meeting of the Association, each Owner's Association shall elect one Director pursuant to its own Bylaws. The term of office of the Directors shall be as set forth in the Bylaws. The Directors shall hold office until their respective successors have been elected and hold their first meeting. Only owners of Units in the Property, and agents of Corporate Owners shall be eligible to be for Directors.

3.17 Covenant to Pay Assessment. Each Owner's Association shall be subject to the Articles, the Bylaws and this Declaration, including the obligation to pay the annual assessments and special assessments levied by the Association pursuant to this Declaration. Such assessments shall be fixed, established and collected from time to time in the manner provided in this Article.

3.17.1 Notice of Annual Assessments and Time for Payment. Annual assessments shall be determined on a fiscal year basis beginning January 1 and ending December 31; provided the first fiscal year shall begin on the date of this Declaration and end on December 31. Except with respect to the first fiscal year, the Directors shall give written notice to each Association as to the amount of the annual assessment with respect to his Unit not less than thirty (30) days nor more than sixty (60) days prior to the beginning of the next fiscal year. Such assessment shall be due and payable in twelve equal monthly installments on the first day of each and every calendar month of each year; provided, however, that the first annual assessment for the first fiscal year shall be based upon such portion of the first fiscal year remaining after the date fixed by the Directors as the date of commencement of the Project. Such assessment shall be due and payable in monthly installments on the first day of each and every month and no separate notices of such monthly installment shall be required.

3.17.2 Special Assessments. In addition to the annual assessments, the Directors may levy a special assessment, payable by a Member over such a period as the Directors may determine. Special Assessments may be levied for the purpose of covering the cost of any construction or reconstruction, repair, replacement or improvement of the Project or any part thereof, or for any other expense incurred or to be incurred as provided in this Declaration. Special Assessments shall be assessed to Owner's Associations based on their respective Percentage Interest. The Directors shall provide written notice of the nature of and the amount of the special assessments and the time for payment thereof. No payment shall be

due less than thirty (30) days after such notice shall have been given. Special assessments shall be subject to the same late fees and penalties as are prescribed for regular assessments. Notwithstanding anything to the contrary herein contained, the Directors alone may authorize additions or capital improvements to the Common Area, which cost no more than \$5,000. Additions or capital improvements the cost of which will exceed such amount must, prior to being constructed, be authorized by the majority of the Owners. This Section shall not be construed as an independent source of authority for the Directors to incur expenses, but shall be construed to prescribe the manner of assessing for expenses authorized by other Sections hereof.

3.17.3 Specific Assessments. The Board shall have the power specifically to assess individual Owner's Associations pursuant to this Section as, in its discretion, it shall deem appropriate. Failure of the Directors to exercise its authority under this Section shall not be ground for any action against the Association or the Directors and shall not constitute a waiver of the Directors' rights to exercise its authority under this Section in the future with respect to any expenses, including an expense for which the Directors have not previously exercised their authority under this Section.

3.17.4 No Waiver. No Association may waive or otherwise exempt itself from liability for the Assessments of Fees provided herein, including, by way of illustration, but not limited to, non-use or abandonment of Common Areas, and Facilities.

3.17.5 Duty to Pay Independent. No reduction or abatement of assessments shall be claimed or allowed by reason of any alleged failure of the Association or Directors to take some action or perform some function required to be taken or performed by the Association or Directors under this Declaration or the Bylaws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or any action taken to comply with any law, ordinance, or with any order of directive of any municipal or other governmental authority, the obligation to pay Assessments being a separate and independent covenant on the part of each Owner's Association.

3.18 Insurance. The Directors shall secure and at all times maintain the following insurance coverage:

3.18.1 A multi-peril policy or policies of fire and casualty insurance covering all Common Areas of the Project, with extended coverage and all other coverage in the kinds and amounts required by private institutional mortgage investors for projects similar in construction, location and use on a replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value (based upon replacement cost). Each such policy shall contain the standard mortgagee clause, which must be endorsed to provide that any proceeds shall be paid to the Association for the use and benefit of Mortgagees as their interest may appear. The insured shall be the Association.

3.18.2 A comprehensive policy of public liability insurance insuring the association, the Directors, the Manager, and the Associations against any liability incident to the ownership, use or operation of the Common Areas and public ways of the project or of any Unit which may arise among themselves, to the public, or to any invitees, or tenants of the Project, or of the Unit Owners. Limits of liability under such insurance shall be not less than One Million Dollars (\$1,000,000.00) per occurrence, for personal injury and/or property damage. Such insurance policy shall contain a "Severability of Interest" endorsement, which shall preclude the Insurer from denying the claim of the Unit Owner because of negligent acts of the Association or other Unit Owners. The scope of coverage must include all other coverage in the kinds and amounts required by private institutional mortgage investors for similar projects in location, construction and use.

3.18.3 The Association shall maintain fidelity coverage to protect against dishonest acts on the part of Directors, Manager, employees or volunteers responsible for handling funds belonging to or administered by the Association. The fidelity bond or insurance must name the Association as the named insured and shall be written in an amount sufficient to provide protection which in no event shall be less than one and one-half times the insured's estimated annual-operating expenses, including reserves. In connection with such coverage an appropriate endorsement to the policy to cover any persons who serve without compensation shall be added if the policy would not otherwise cover volunteers.

3.18.4 The following additional provisions shall apply with respect to insurance:

3.18.4.1 In addition to the insurance and bond coverage described above, the Directors shall secure and maintain insurance against such risks as are or hereafter may be customarily insured against in connection with developments similar to the Project in construction, nature and use.

3.18.4.2 Each insurer must be specifically licensed to transact business with the State of Utah. Policies are unacceptable where (i) under the terms of the carrier's charter, bylaws or policy, contributions or assessments may be made against the Borrower, any first Mortgagee, or its assignee; or (ii) by the terms of the carrier's charter, bylaws or policy, loss payments are contingent upon action by the carrier's board of directors, policy holders or members; or (iii) the policy includes any limiting clauses (other than insurance conditions) which could prevent Mortgagee, its assignee, or the borrower from collecting insurance proceeds.

3.18.5 The Directors shall have the authority to settle (adjust) losses with the insurance carrier.

3.18.6 Insurance secured and maintained by the Directors shall not be brought into contribution with insurance held by the individual Unit owners or their mortgagees. In any case, the insurance of the Association shall be secondary to any homeowner's policy, renter's policy, auto policy or other liability policy which may apply to any loss.

3.18.7 Each policy of insurance obtained by the Directors shall provide: a standard mortgagee clause commonly accepted by private institutional mortgage investors in the area in which the Project is located; a waiver (if available) of the insurer's Subrogation rights with respect to the Directors, the Manager, the Unit owners, and their respective servants, agents and guests; that it cannot be canceled, suspended, or invalidated due to the conduct of any particular Unit Owner or Owners; that it cannot be canceled, suspended or invalidated due to the conduct of any member, officer, or employee of the Directors or of the Manager without a prior written demand that the defect be cured; that any "no other insurance" clause therein shall not apply with respect to insurance held individually by the Unit owners; and a mortgagee clause endorsement which must provide that the insurance carrier shall notify the first Mortgagee (or trustee) named at least ten (10) days in advance of the effective date of any reduction in or cancellation of the policy.

3.18.8 Any Owner's Association may obtain additional insurance at his own expense, so long as such additional insurance does not have the effect of decreasing the amount which may be realized under any policy maintained by the Directors. Any Owner's Association which individually obtains insurance covering any portion of the Project shall supply the Directors with a copy of its policy within 30 days after it acquires such insurance.

3.18.9 The project is not located in an area identified by the Secretary of Housing and Urban Development as an area having special flood hazards. In the event that at some future time the Project should be declared to be in such flood area, a blanket policy of flood insurance on the Project shall be maintained in the amount of the value of improvements to the Common Area aggregate of the outstanding principal balances of the mortgage loans on the Units comprising the Project or the maximum limit of coverage available under the National Flood Insurance Act of 1968 as amended, whichever is less. The name of the insured under each required policy must be in form and substance as that required by any first Mortgagee, or its assignee, at any given time.

3.19 Certain Provisions Applicable to Declarant. Notwithstanding any other provision herein contained for as long as Declarant continues to own any of the Units the following provisions shall be deemed to be in full force and effect, none of which shall be construed so as to relieve the Declarant from any obligations as Unit owner to pay assessments, except as herein otherwise provided, as to each Unit owned by Declarant in accordance with the Declaration.

3.19.1 Declarant specifically disclaims any intent to have made any warranty or representation in connection with the Project or the Declaration except as specifically set forth herein or in any agreement for sale of a Unit, or no person shall rely upon any warranty or representation not so specifically made therein.

3.19.2 No amendment may be made to the Declaration without the written consent of Declarant while Declarant is still in control of any one of the Owner's Associations. No

amendments to the Declaration, Bylaws or other enabling documentation may be made by the Unit owners while the Declarant is still in control.

Notwithstanding the foregoing, The Declarant shall relinquish all special rights, expressed or implied, through which the Declarant may directly or indirectly control, direct, modify, or veto any action of the Owner's Association, its Directors, or a majority of Unit Owners, and control of the Owner's Association shall pass to the owners of the Units within the project, not later than the earlier of the following (a) 120 days after the date by which seventy-five percent (75%) of the Units have been conveyed to the Unit purchasers; or (b) four (4) years from the date the first conveyance to a Unit purchaser is made.

3.20 Amendment. Except as provided below, the vote of at least two thirds 2/3 of the Owner's Associations, at a meeting of the Association at which a quorum is present shall be required to amend this Declaration and/or the Map. Any amendment so authorized shall be accomplished through the recordation of an instrument executed by the Directors. In such instrument the Directors shall certify that the vote required by this Section 3.20 for amendment has occurred. The foregoing right of amendment shall be subject to the following paramount right:

3.20.1 Except as hereinafter provided, until (i) 120 days after the date by which seventy-five (75%) percent of the Units have been conveyed to the Unit purchasers, or (ii) Four (4) years from the date the first conveyance to a Unit purchaser is made, which ever comes first, Declarant shall have, and is hereby vested with, the right to unilaterally amend this Declaration or the Map. Such right shall obtain without regard to the subject matter of amendment, so long as the amendment involved is consistent with law and does not attempt to divest any vested property rights of any Owner or Mortgagee.

3.20.2 Notwithstanding anything to the contrary contained in the Declaration, including in the immediately preceding Section 3.20.1, neither the insurance provisions of Section 3.18 nor the Mortgagee Protection provisions of Section 3.23 shall be amended without the written approval of all Mortgagees having a recorded interest.

3.21 Eminent Domain. Whenever all or part of the Common Areas shall be taken, injured or destroyed as the result of the exercise of the power of eminent domain, each Unit owner shall be entitled to notice thereof and to participate in the proceedings incident thereto, but in any proceeding for the determination of damages, such damages shall be determined for such taking, injury or destruction as a whole and not for each Unit Owner's interest therein. After such determination each Unit owner shall be entitled to a share in the damages in the same portion as his Percentage Interest in the Common Areas, subject, however, to any prior right of the Mortgagee to participate therein.

3.22 Service of Process. DRS Development LLC, Manager of Colonial Springs Condominiums, with Duane Shaw as its Managing Member, is the person to receive service of process at 955 Chambers Drive, Suite 200#, Ogden Utah 84403. The Directors shall, however, have the right to appoint a successor substitute process agent. An appropriate instrument filed in the

office of the Weber County Recorder, State of Utah, shall specify such successor or substitute agent and his address.

3.23 Mortgagee Protection. Notwithstanding anything to the contrary contained in the Declaration:

3.23.1 An adequate reserve fund for repair, maintenance and replacement of those elements of the Common Areas that must be replaced on a periodic basis must be established and shall be funded by regular monthly payments rather than by special assessments. Amounts of such reserve funds shall be invested by the Directors in obligations of the United States Government or in accounts insured by agencies of the U.S. Government and such funds shall be used only for the purpose for which collected and may not be used to reduce operating assessments or deficits or for costs of capital assessments not provided for as part of such funds;

3.23.2 All taxes, assessments and charges, which may become liens prior to the first Mortgage under local law shall relate only to the individual Units and not to the Project as a whole;

3.23.3 Any mortgage holder which comes into possession of the Unit pursuant to the remedies provided in the Mortgage or foreclosure of the Mortgage or deed (or assignment in lieu of foreclosure) shall be exempt from any claim of right or other provisions which may exist relating to sale or lease of the Units in the Project, and no claim of right shall impair the rights of any first mortgage to: (i) foreclose or take title to a Unit pursuant to the remedies provided in the Mortgage, (ii) accept a deed (or assignment) in lieu of foreclosure in the event of default by a mortgagor, or (iii) interfere with a subsequent sale or lease of the Unit so acquired by the Mortgagee.

3.23.4 No Owner's Association, or any other party, shall have priority over any rights of the first Mortgagee of the Unit pursuant to its Mortgage in the case of a distribution to such Unit owner of insurance proceeds or condemnation awards for losses to or a taking of Units and/or Common Areas.

3.23.5 In the event of damage to or destruction of any part of the Common Areas, which loss exceeds \$10,000, the institutional holder of any first Mortgage on a Unit shall be entitled to timely written notice of any such damage or destruction. No Unit Owner or other party shall be entitled to priority over such institutional holder with respect to the distribution to such Unit Owner of any insurance proceeds regardless of the amount of loss. Upon request of any first Mortgagee the Association must provide a letter to said first Mortgagee wherein the Association agrees to notify the first Mortgagee or any organization it designates at the address indicated by the Mortgagee wherever damage to the Common Areas and related facilities exceeds \$10,000.00.

3.23.6 If any Unit or portion thereof or the Common Areas or any portion thereof

is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the institutional holder of any first Mortgage of a Unit shall be entitled to timely written notice of any such proceeding or proposed acquisition. No Unit Owner or other party shall have priority over such institutional holder regardless of the amount of the condemnation award with respect to the distribution to such Unit Owner of the proceeds of any award or settlement.

3.23.7 Each holder of a first mortgage lien on a Unit who obtains title to a Unit by virtue of remedies provided in the Mortgage, including but not limited to foreclosure of the mortgage, excluding conveyance by deed or assignment in lieu of foreclosure, shall take the unit free of unpaid charges and shall not be liable for any unpaid claims or assessments and charges against the Unit which accrue prior to the acquisition of title of such Unit by Mortgagee, unless such provision is contrary to Utah law.

3.23.8 Any lien, accruing after the placement of a mortgage on a Unit, which the Directors may have on any Unit in the Project for the payment of Common Expense assessments attributable to such Unit, will be subordinate to the lien or equivalent security interest of any mortgage on the Unit, unless such provision is contrary to Utah Law.

3.23.9 Unless at least seventy-five (75%) percent of the institutional first Mortgagees (based on one vote for each Mortgage owned) of Units have given their prior written approval neither the Directors, Declarant, Owner's Association, nor the Association shall:

3.23.9.1 By act or omission, seek to abandon or terminate the Project.

3.23.9.2 Change the pro-rata interest or obligations of any Unit for (i) purposes of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards or for (ii) determining the pro-rata share of ownership of each Unit in the appurtenant Common Areas.

3.23.9.3 By act or omission, seek to amend, partition, subdivide encumber, sell abandon or transfer, the Common Areas. (The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Areas of the Project shall not be deemed a transfer within the meaning of this subsection).

3.23.9.4 Use hazard insurance proceeds for losses to any condominium property (whether to Units or to the Common Areas) for other than the repair, replacement or reconstruction of such improvements, except as provided by statute in cases of substantial loss to the Units and/or the Common Areas of the Project.

3.23.9.5 Terminate professional management and assume self-management of the Project. Any management agreement entered into by the

Directors shall provide for termination for cause upon 30 days notice and run for a reasonable time period of two (2) years if negotiated by Declarant or 1 to 3 years if negotiated by the Directors of the Association and be renewable upon consent of the Association and the management.

3.23.10 Any institutional holder of a first Mortgage (or trust deed) of a Unit in the Project will, upon request be entitled to examine the books and records of the Project during normal business hours.

3.23.11 Whenever there is a change of ownership of a Unit, the Directors of the Owner's Association in which the Unit is located shall require that the new Unit/Owner furnish the Directors with the name of the holder or any first Mortgage (or trust deed) affecting such Unit. The Directors of such Owner's Association or Manager shall maintain a current roster of Unit Owners and of the holders of first Mortgages (or trust deed) affecting Units in the Project.

3.24 Duty of Owner to Pay Taxes on Unit Owned. It is understood that under the Act each Unit (and its Percentage Interest in the Common Areas) in the Project is subject to separate assessment and taxation of each taxing authority and the special district(s) for all types of taxes and assessments authorized by law, and that as a result thereof, no taxes will be assessed or levied against the Project as such, except for certain personal properties thereof. Accordingly, each Unit Owner will pay and discharge any and all taxes and assessments, which may be assessed against them on their Unit.

3.25 Covenant to Run With Land: Compliance. This Declaration and all the provisions hereof shall constitute covenants to run with the land or equitable servitude, as the case may be; and shall be binding upon and shall inure to the benefit of Declarant, all parties who hereafter acquire any interest in a Unit or in the Project, and their respective grantees, transferees, heirs, devisees, personal representatives, successors, and assigns. Each owner or occupant of a Unit shall comply with, and all interests in all Units shall be subject to, the terms of the Act, the terms of this Declaration, the Bylaws, and the provisions of any rules, regulations, agreements, instruments, and determinations contemplated by this Declaration, and failure to comply shall be grounds for an action to recover sums due for damages or injunctive relief or both, maintainable by the Directors on behalf of Unit Owners, or, in a proper case, by an aggrieved Unit Owner. By acquiring any interest in a Unit or in the Project, the party acquiring such interest consents to, and agrees to, be bound by each and every provision of this Declaration.

3.26 Indemnification of the Association and The Directors. The Association and the Directors shall not be liable for any failure of water service or other utility service (if any) to be obtained and paid for by the Association hereunder, or for the injury or damage to any person or property caused by the elements or by another Owner or person in or upon the Project. Nor shall the Directors or the Association be liable for damage or injury resulting from electricity, water, rain, snow or ice which may leak or flow from outside or from any parts of any building or Common Area or its drains, pipes, conduit, appliances or equipment, or from any other place, unless caused by the



gross negligence or willful misconduct of the Association or its Directors. No diminution or abatement of any assessment under this Declaration shall be claimed or allowed for inconvenience or discomfort arising from the making of any repairs or improvements to or maintaining the Project or any part thereof, or from any action taken to comply with the provisions of this Declaration or with the laws, ordinances, regulations, rules or order of any governmental authority.

3.27 Disputes with Declarant or Others. Any disputes or controversies in excess of \$5,000 between the Association and the Declarant may be submitted to binding arbitration to the American Arbitration Association under its Rules for the Real Estate Industry and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Each party shall bear its own costs of arbitration except that both parties shall pay any and all fees due the American Arbitration Association or its arbitrator(s) equally. Provided, however, the Association shall not have the authority to file any legal action or submit any matter to arbitration without seventy-five percent (75%) vote of all Unit Owners. The provisions in this Declaration or in the Bylaws regarding quorums shall not apply to this Section such that seventy-five percent (75%) of all Unit Owners is required to file any legal action or submit any matter to Arbitration.

3.28 Invalidity. The invalidity of any provisions of this Declaration, or any portion thereof, shall not be deemed to impair or affect in any manner the validity, enforceability, or effect the remainder of this Declaration and, in such event, all of the other provisions of this Declaration shall continue in full force and effect as if such invalid provision has never been included herein.

3.29 Waiver. No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches, which may occur.

3.30 Gender. The use of the masculine gender in this Declaration shall be deemed to refer to the feminine gender and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

3.31 Topical Headings. The numbers and headings appearing at the beginning of the sections of this Declaration are only for convenience of reference and are not intended to describe, interpret, define, limit, extend, or otherwise affect the content, meaning or intent of this Declaration or any paragraph or provision hereof.

3.32 Effective Date. This Declaration shall take effect upon recording in the office of the County Recorder of Weber County, Utah.

E# 1814502 BK2 193 PG2 135

IN WITNESS WHEREOF, the undersigned being the Declarant has caused this instrument to be executed and its seal be affixed hereto on the day and year first above written.

NBD DEVELOPMENT, LLC

By: [Signature]  
Duane Shaw, Manager

STATE OF UTAH )  
                  SALT LAKE )  
                  CO. )  
COUNTY OF WEBER )  
                  UTAH )

On the 14th day of December, 2001, personally appeared before me Duane Shaw, who being by me duly sworn, did say that he is the Manager of NBD DEVELOPMENT, LLC, and that said instrument was acknowledged on behalf of said company.

[Signature]  
Notary Public

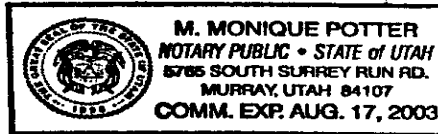


EXHIBIT "A"  
Legal Description  
(Cottages Property)

17-263-0001 to 0018

17-072-0004, 0053, 0054, 0056, 0052

PART OF THE NORTHWEST QUARTER OF SECTION 32, T.7N., R.1W., S.L.B.&M., U.S. SURVEY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTH RIGHT-OF-WAY LINE OF 2550 NORTH STREET (100 FOOT WIDE), SAID POINT BEING S87°39'06"E 1139.63 FEET AND N02°20'54"E 1663.60 FEET FROM THE WEST QUARTER CORNER OF SAID SECTION 32; THENCE S00°53'25"W 108.00 FEET TO A 374.96-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS N89°06'35"W; THENCE SOUTHWESTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 17°55'57" A DISTANCE OF 117.36 FEET TO A 449.89-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS S71°10'38"E; THENCE SOUTHWESTERLY ALONG SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 17°55'13" A DISTANCE OF 140.71 FEET; THENCE S00°54'09"W 139.73 FEET TO A 49.00-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS N89°05'51"W; THENCE SOUTHWESTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 36°52'12" A DISTANCE OF 31.53 FEET TO A 58.50-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS S52°13'39"E; THENCE SOUTHWESTERLY ALONG SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 42°07'39" A DISTANCE OF 43.01 FEET TO A 53.00-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS S85°38'42"W; THENCE SOUTHWESTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 45°36'32" A DISTANCE OF 42.19 FEET; THENCE S41°15'14"W 44.01 FEET; THENCE S48°44'46"E 155.00 FEET; THENCE S41°15'14"W 110.00 FEET; THENCE S30°25'48"W 46.01 FEET; THENCE S09°25'47"W 50.64 FEET; THENCE S00°46'24"W 114.68 FEET; THENCE S88°54'16"E 997.73 FEET; THENCE S02°06'45"W 280.04 FEET; THENCE N88°54'16"W 1323.17 FEET; THENCE N88°50'58"W 197.62 FEET; THENCE N00°46'24"E 695.45 FEET; THENCE N01°19'29"E 174.22 FEET; THENCE S88°50'58"E 197.91 FEET; THENCE N00°54'10"E 158.44 FEET; THENCE N01°24'50"E 283.88 FEET TO SAID RIGHT-OF-WAY LINE; THENCE S89°06'35"E ALONG SAID LINE 413.97 FEET TO THE POINT OF BEGINNING, CONTAINING 21.38 ACRES

EXHIBIT "B"  
Legal Description  
(Townhomes Property)

NEW TOWN SQUARE COLONIAL SP.  
17-267-0001 to 0035  
17-072-0049, 0055, 0052, 0004

PART OF THE NORTHWEST QUARTER OF SECTION 32, T.7N., R.1W., S.L.B.&M., U.S. SURVEY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTH RIGHT-OF-WAY LINE OF 2550 NORTH STREET (100 FOOT WIDE), SAID POINT BEING S87°39'06"E 1762.88 FEET AND N02°20'54"E 1679.46 FEET FROM THE WEST QUARTER CORNER OF SAID SECTION 32; THENCE S00°53'25"W 33.65 FEET TO A 469.00-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS N89°06'35"W; THENCE SOUTHWESTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 13°09'27" A DISTANCE OF 107.70 FEET; THENCE S75°57'08"E 5.50 FEET; THENCE S14°02'52"W 236.93 FEET TO A 525.50-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS S75°57'08"E; THENCE SOUTHWESTERLY ALONG SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 16°10'51" A DISTANCE OF 148.41 FEET; THENCE S02°07'59"E 205.13 FEET TO A 21.22-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS S87°52'01"W; THENCE SOUTHWESTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 108°45'46" A DISTANCE OF 40.28 FEET; THENCE S16°37'47"W 53.76 FEET TO A 61.73-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS S33°49'54"W; THENCE SOUTHEASTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 65°00'45" A DISTANCE OF 70.04 FEET; THENCE S81°09'21"E 49.43 FEET TO A 52.50-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS S64°53'59"E; THENCE NORTHEASTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 20°33'53" A DISTANCE OF 18.84 FEET; THENCE N45°39'54"E 31.71 FEET TO A 52.50-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS S44°20'06"E; THENCE NORTHEASTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 27°01'09" A DISTANCE OF 24.76 FEET; THENCE N09°32'19"E 56.61 FEET TO A 55.67-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS N09°32'19"E; THENCE NORTHWESTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 78°19'42" A DISTANCE OF 76.11 FEET; THENCE N02°07'59"W 189.35 FEET TO A 474.50-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS N87°52'01"E; THENCE NORTHEASTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 01°52'54" A DISTANCE OF 15.58 FEET; THENCE S89°48'58"E 66.22 FEET; THENCE S01°30'29"E 77.35 FEET; THENCE N88°53'28"E 253.17 FEET; THENCE S02°06'45"W 467.76 FEET; THENCE N88°54'16"W 997.73 FEET; THENCE N00°46'24"E 114.68 FEET; THENCE N09°25'47"E 50.64 FEET; THENCE N30°25'48"E 46.01 FEET; THENCE N41°15'14"E 120.00 FEET; THENCE S88°05'58"E 72.62 FEET; THENCE N01°54'02"E 114.44 FEET TO A 579.00-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS N35°55'10"E; THENCE NORTHWESTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 03°07'18" A DISTANCE OF 31.55 FEET TO A 53.00-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS N39°02'28"E; THENCE NORTHWESTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 34°09'40" A DISTANCE OF 31.60 FEET TO A 58.50-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS N75°58'22"W; THENCE NORTHWESTERLY ALONG SAID CURVE TO THE LEFT THROUGH A CENTRAL

E: 1814502 BK2193 PG2138

ANGLE OF 49°59'40" A DISTANCE OF 51.05 FEET TO A 49.00-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS N54°01'57"E; THENCE NORTHWESTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 36°52'12" A DISTANCE OF 31.53 FEET; THENCE N00°54'09"E 139.73 FEET TO A 375.89-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS S89°05'51"E; THENCE NORTHEASTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 17°55'13" A DISTANCE OF 117.57 FEET TO A 448.96-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS N71°10'38"W; THENCE NORTHEASTERLY ALONG SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 17°55'57" A DISTANCE OF 140.52 FEET; THENCE N00°53'25"E 108.00 FEET TO SAID RIGHT-OF-WAY LINE; THENCE S89°06'35"E ALONG SAID LINE 549.45 FEET TO THE POINT OF BEGINNING, CONTAINING 16.43 ACRES.

EXHIBIT "C"  
Legal Description  
(Condominium Property)

17-072-0049, 0011

| PART OF THE NORTHWEST QUARTER OF SECTION 32, T.7N., R.1W., S.L.B.&M., U.S. SURVEY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTH RIGHT-OF-WAY LINE OF 2550 NORTH STREET (100 FOOT WIDE), SAID POINT BEING S87°39'06"E 1828.86 FEET AND N02°20'54"E 1681.14 FEET FROM THE WEST QUARTER CORNER OF SAID SECTION 32; THENCE S89°06'35"E ALONG SAID LINE 245.01 FEET; THENCE S02°06'45"W 569.20 FEET; THENCE S88°53'28"W 253.17 FEET; THENCE N01°30'29"W 77.35 FEET; THENCE N89°48'58"W 66.22 FEET TO A 474.50-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS N89°44'55"E; THENCE NORTHEASTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 14°17'57" A DISTANCE OF 118.42 FEET; THENCE N14°02'52"E 165.79 FEET; THENCE S75°57'08"E 9.50 FEET; THENCE N14°02'52"E 71.14 FEET TO A 535.00-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS N75°57'08"W; THENCE NORTHEASTERLY ALONG SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 13°09'27" A DISTANCE OF 122.86 FEET; THENCE N00°53'25"E 33.65 FEET TO THE POINT OF BEGINNING, CONTAINING 3.68 ACRES.

**EXHIBIT "D"**  
**Common Area**  
**(Roads and Parks)**

*17-072-0004*  
*17-263-0018*

Parcel 1:

PART OF THE NORTHWEST QUARTER OF SECTION 32, T.7N., R.1W., S.L.B.&M., U.S. SURVEY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTH RIGHT-OF-WAY LINE OF 2550 NORTH STREET (100 FOOT WIDE), SAID POINT BEING S87°39'06"E 1139.63 FEET AND N02°20'54"E 1663.60 FEET FROM THE WEST QUARTER CORNER OF SAID SECTION 32; THENCE S00°53'25"W 108.00 FEET TO A 374.96-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS N89°06'35"W; THENCE SOUTHWESTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 17°55'57" A DISTANCE OF 117.36 FEET TO A 449.89-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS S71°10'38"E; THENCE SOUTHWESTERLY ALONG SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 17°55'13" A DISTANCE OF 140.71 FEET; THENCE S00°54'09"W 139.73 FEET TO A 49.00-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS N89°05'51"W; THENCE SOUTHWESTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 36°52'12" A DISTANCE OF 31.53 FEET TO A 58.50-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS S52°13'39"E; THENCE SOUTHWESTERLY ALONG SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 42°07'39" A DISTANCE OF 43.01 FEET TO A 53.00-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS S85°38'42"W; THENCE SOUTHWESTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 45°36'32" A DISTANCE OF 42.19 FEET; THENCE S41°15'14"W 44.01 FEET; THENCE S48°44'46"E 155.00 FEET; THENCE N41°15'14"E 10.00 FEET; THENCE S88°05'58"E 72.62 FEET; THENCE N01°54'02"E 114.44 FEET TO A 579.00-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS N35°55'10"E; THENCE NORTHWESTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 03°07'18" A DISTANCE OF 31.55 FEET TO A 53.00-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS N39°02'28"E; THENCE NORTHWESTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 34°09'40" A DISTANCE OF 31.60 FEET TO A 58.50-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS N75°58'22"W; THENCE NORTHWESTERLY ALONG SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 49°59'40" A DISTANCE OF 51.05 FEET TO A 49.00-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS N54°01'57"E; THENCE NORTHWESTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 36°52'12" A DISTANCE OF 31.53 FEET; THENCE N00°54'09"E 139.73 FEET TO A 375.89-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS S89°05'51"E; THENCE NORTHEASTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 17°55'13" A DISTANCE OF 117.57 FEET TO A 448.96-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS N71°10'38"W; THENCE NORTHEASTERLY ALONG SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 17°55'57" A DISTANCE OF 140.52 FEET; THENCE N00°53'25"E 108.00 FEET TO SAID RIGHT-OF-WAY LINE; THENCE N89°06'35"W ALONG SAID LINE 74.00 FEET TO THE POINT OF BEGINNING, CONTAINING 1.56 ACRES.

17-072-0052, 0055, 0049

Parcel 2:

17-267.0035

PART OF THE NORTHWEST QUARTER OF SECTION 32, T.7N., R.1W., S.L.B.&M., U.S. SURVEY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTH RIGHT-OF-WAY LINE OF 2550 NORTH STREET (100 FOOT WIDE), SAID POINT BEING S87°39'06"E 1762.88 FEET AND N02°20'54"E 1679.46 FEET FROM THE WEST QUARTER CORNER OF SAID SECTION 32; THENCE S00°53'25"W 33.65 FEET TO A 469.00-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS N89°06'35"W; THENCE SOUTHWESTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 13°09'27" A DISTANCE OF 107.70 FEET; THENCE S75°57'08"E 5.50 FEET; THENCE S14°02'52"W 236.93 FEET TO A 525.50-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS S75°57'08"E; THENCE SOUTHWESTERLY ALONG SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 16°10'51" A DISTANCE OF 148.41 FEET; THENCE S02°07'59"E 205.13 FEET TO A 21.22-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS S87°52'01"W; THENCE SOUTHWESTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 108°45'46" A DISTANCE OF 40.28 FEET; THENCE S16°37'47"W 53.76 FEET TO A 61.73-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS S33°49'54"W; THENCE SOUTHEASTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 65°00'45" A DISTANCE OF 70.04 FEET; THENCE S81°09'21"E 49.43 FEET TO A 52.50-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS S64°53'59"E; THENCE NORTHEASTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 20°33'53" A DISTANCE OF 18.84 FEET; THENCE N45°39'54"E 31.71 FEET TO A 52.50-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS S44°20'06"E; THENCE NORTHEASTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 27°01'09" A DISTANCE OF 24.76 FEET; THENCE N09°32'19"E 56.61 FEET TO A 55.67-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS N09°32'19"E; THENCE NORTHWESTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 78°19'42" A DISTANCE OF 76.11 FEET; THENCE N02°07'59"W 189.35 FEET TO A 474.50-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS N87°52'01"E; THENCE NORTHEASTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 16°10'51" A DISTANCE OF 134.00 FEET; THENCE N14°02'52"E 165.79 FEET; THENCE S75°57'08"E 9.50 FEET; THENCE N14°02'52"E 71.14 FEET TO A 535.00-FOOT RADIUS CURVE, THE CENTER OF WHICH BEARS N75°57'08"W; THENCE NORTHEASTERLY ALONG SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 13°09'27" A DISTANCE OF 122.86 FEET; THENCE N00°53'25"E 33.65 FEET TO SAID RIGHT-OF-WAY LINE; THENCE N89°06'35"W ALONG SAID LINE 66.00 FEET TO THE POINT OF BEGINNING, CONTAINING 1.28 ACRES.

E# 1814502 BK2193 PG2142



**EXHIBIT "E"**  
**Bylaws**

**E# 1814502 BK2193 PG2143**

**BYLAWS OF  
COLONIAL SPRINGS ASSOCIATION, INC.**

**ARTICLE ONE**

**Name and Location**

The name of the corporation is Colonial Springs Association, Inc., ("**Association**"). The principal office of the Association shall be located at 1559 River Oaks Drive, Sandy, Utah 84093, but the meetings of Members and Trustees may be held at such places in Weber County, State of Utah, as may be designated by the Board of Trustees.

**ARTICLE TWO**

**Application of Bylaws**

All present and future owners, mortgagees, lessees and occupants of any Unit or Building and any other persons who may use the facilities or the Project in any manner are subject to these Bylaws, the Umbrella Declaration of Covenants, Conditions and Restrictions for Colonial Springs ("**Declaration**") and all rules made pursuant hereto and any amendments hereof. The acceptance of a deed or conveyance or the entering into of a lease or the act of occupancy of a Unit or Condominium shall constitute an agreement that the provisions of the Declaration and these Bylaws and any rules and regulations made pursuant hereto, as they may be amended from time to time, are accepted, ratified and will be complied with. Certain capitalized terms in these Bylaws shall be defined in accordance with the definition for such terms set forth in the Declaration.

**ARTICLE THREE**

**Meetings of Members**

**Section 1. Annual Meetings.** The first annual meeting of the Members shall be held within one (1) year from the date of incorporation of the Association, and each subsequent regular meeting of the Members shall be held on the second Tuesday of each January, at the hour of 7:00 o'clock p.m. at the Project or some reasonable location in Weber County, Utah or on such other annual date and time fixed by the Board of Trustees. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

**Section 2. Special Meetings.** Special meetings of the Members may be called at any time by the President or by the Board of Trustees, or upon written request of the Members who are entitled to vote twenty-five percent (25%) of all of the votes of the membership.

**Section 3. Notice of Meetings.** Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary of the Association or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such

**E# 1814502 BK2193 PG2144**

notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, sixty percent (60%) or more of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Articles, the Declaration, or these Bylaws. If, however, such a quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Voting. At all meetings of Members, each Member may vote in person or by proxy.

Section 6. Action Taken Without a Meeting. Any action that may be taken at any regular or special meeting of the Association may be taken without a meeting if the following requirements are met:

6.1 A written ballot is distributed to every Member entitled to vote setting forth the proposed action, providing an opportunity to signify approval or disapproval of the proposal and providing a reasonable time for the Member to return the ballot to the Association.

6.2 The number of votes cast by ballot within the specified time under Subparagraph 6.1 equals or exceeds the quorum required to be present at a meeting authorizing the action.

6.3 The number of approvals of the action equals or exceeds the number of votes required to approve the action at a meeting at which the total number of votes cast was the same as the number of votes cast by written ballot.

6.4 The written ballot distributed to Members affords an opportunity for the Member to specify a choice between approval and disapproval of each order of business proposed to be acted upon by the Association and further provides that the vote of the Members shall be cast in accordance with the choice specified.

Section 7. Proxies. At each meeting of the Members, each Member entitled to vote shall be entitled to vote in person or by proxy, provided, however, that the right to vote by proxy shall exist only where the instrument authorizing such proxy to act shall have been executed by the Member himself or by his attorney thereunto duly authorized in writing. The instrument authorizing the proxy to act shall meet the requirements set forth in Subparagraph 6.4 above and shall indicate the name of the secretary of the Association, or such other officer or person or who may be acting as the secretary at the meeting to whom the proxy is to be given for the purpose of casting the vote to reflect the absent Member's vote as specified in the form of proxy. If a Unit is jointly held, the instrument authorizing a proxy to act must have been executed by all Owners of such Unit or their attorneys thereunto duly authorized in writing. Such instrument authorizing a proxy to act shall be delivered at the beginning of the meeting to the Secretary of the Association or to such other officer or person

who may be acting as secretary of the meeting. The secretary of the meeting shall enter a record of all such proxies in the minutes of the meeting.

#### **ARTICLE FOUR**

##### **Board of Trustees, Selection, Term of Office**

**Section 1. Number.** The affairs of this Association shall be managed by a Board of three (3) trustees or directors (hereafter "Trustees") who need not be Members of the Association.

**Section 2. Term of Office.** At the first annual meeting the Members shall each elect one trustee for a term of one (1) year. As used herein, "Member" shall refer to the Cottages at Colonial Springs Owners Association, Inc.; Newtowne Square at Colonial Springs Owners Association, Inc. and the Georgian at Colonial Springs Owners Association, Inc.

**Section 3. Removal.** Any trustee may be removed from the Board of Trustees, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal of a trustee, his successor shall be selected by the Member which elected such Trustee and shall serve for the unexpired term of his predecessor.

**Section 4. Compensation.** No trustee shall receive compensation for any service he may render to the Association. However, any trustee may be reimbursed for his actual expenses incurred in the performance of his duties.

**Section 5. Action Taken Without a Meeting.** The trustees shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the trustees. Any action so approved shall have the same effect as though taken at a meeting of the trustees.

#### **ARTICLE FIVE**

##### **Nomination and Election of Trustees**

**Section 1. Nomination.** Nomination for election to the Board of Trustees shall be made by a nominating committee from the respective Members.

**Section 2. Election.** Election to the Board of Trustees shall be by the secret written ballot of each Member. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

#### **ARTICLE SIX**

##### **Meeting of Trustees**

**Section 1. Regular Meetings.** The Board of Trustees shall hold a regular meeting at least quarterly, without notice, at such place and hour as may be fixed from time to time by resolution of

the Board of Trustees. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Trustees shall be held when called by the President of the Association, or by any two (2) trustees, after not less than three (3) days notice to each trustee.

Section 3. Quorum. A majority of the number of trustees shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the trustees present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board of Trustees.

## ARTICLE SEVEN

### Powers and Duties of the Board of Trustees

Section 1. Powers. The Board of Trustees shall have power to:

1.1 Adopt and publish rules and regulations governing the use of the Common Areas, and the personal conduct of the Members and their guests thereon, and to establish penalties of the infraction thereof;

1.2 Suspend the voting rights of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and an opportunity for hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;

1.3 Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles, or the Declaration;

1.4 Declare the office of a member of the Board of Trustees to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Trustees; and

1.5 Employ a Manager, an independent contractor, and such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Trustees to:

2.1 Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Members who are entitled to vote;

2.2 Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

2.3 As more fully provided in the Declaration, to:

2.3.1 Fix the amount of the annual assessment against each Unit at least thirty (30) days in advance of each annual assessment period;

2.3.2 Send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

2.3.3 Foreclose at its discretion the lien against any Unit for which assessments are not timely paid and/or to bring an action at law against the Owner personally obligated to pay the same.

2.4 Issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board of Trustees for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

2.5 Procure and maintain adequate liability and hazard insurance on property owned by the association, and adequate officers and trustees indemnity insurance, and all other insurance required by the Declaration;

2.6 Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

2.7 Cause the Common Areas and the Building Exteriors to be maintained;

2.8 Permit First Mortgagees of Units in the Project to pay taxes or other charges which are in default and which may or have become a charge against the Common Areas of the Association, and such First Mortgagees may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy for such property, and such First Mortgagees, upon making such payments, shall be owed immediate reimbursement therefor from the Association;

2.9 Assess and collect all assessments referred to or authorized in the Declaration.

## **ARTICLE EIGHT**

### **Officers and Their Duties**

Section 1. Enumeration of Officers. The officers of this Association shall be a President and Vice President, who shall at all times be Members of the Board of Trustees, a Secretary, and a

Treasurer, and such other officers as the Board of Trustees may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Trustees following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board of Trustees and each shall hold office for one (1) year or until his or her successor is elected and has qualified, unless he or she shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board of Trustees may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the board of Trustees may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board of Trustees. Any officer may resign at any time by giving written notice to the Board of Trustees, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board of Trustees. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

President:

The President shall preside at all meetings of the Board of Trustees; shall see that orders and resolutions of the Board of Trustees are carried out; shall sign all leases, mortgages, promissory notes, checks, deeds and other written instruments.

Vice President:

The Vice President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary:

The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of the Members; keep the corporate seal of the Association

and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and shall perform such other duties as required by the Board.

Treasurer:

The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Trustees; shall, together with the President, sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit or review of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and statement of income and expenditures, and deliver a copy of each to the Members.

**ARTICLE NINE**

**Indemnification of Officers and Trustees**

The Association shall provide any indemnification required or permitted by the laws of Utah and shall indemnify trustees, officers, agents and employees as follows:

Section 1. Third Party Litigation. The Association shall indemnify any trustee or officer of the Association who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit or proceedings, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Association) by reason of the fact that he is or was such trustee or officer or an employee or agent of the Association, or is or was serving at the request of the Association as a trustee, officer, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith, and in a manner which he reasonably believed to be in or not opposed to the best interest of the Association, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

Section 2. Association Litigation. The Association shall indemnify any trustee or officer of the Association who was or is a party or is threatened to be made a party to any threatened, pending, or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that he is or was such a trustee or officer of an employee or agent of the Association, or is or was serving at the request of the Association as trustee, officer, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorney's fees) actually and reasonably incurred by him in connection with the defense or



settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association, except that no indemnification shall be made in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Association unless and only to the extent that the court in which such action or suit was brought, or any other court having jurisdiction in the premises, shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnify for such expenses which such court shall deem proper.

Section 3. Expenses. To the extent that a trustee or officer of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 1 or 2 of this Article Nine, or in defense of any claim, issue, or matter therein, he shall be indemnified against expenses (including attorney's fees) actually and reasonably incurred by him in connection therewith, without the necessity for the determination as to the standard of conduct as provided in Section 4 of this Article Nine.

Section 4. Determination of Right to Indemnity. Any indemnification under Section 1 or 2 of this Article Nine (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the trustee or officer is proper in the circumstances because he has met the applicable standard of conduct set forth in Section 1 or 2 of this Article Nine. Such determination shall be made (i) by the Board of Trustees of the Association by a majority vote of a quorum consisting of trustees who were not parties to such action, suit or proceeding, or (ii) if such a quorum is not obtainable, or even if obtainable, and such a quorum of disinterested trustees so directs, by independent legal counsel (who may be regular counsel for the Association) in a written opinion; and any determination so made shall be conclusive.

Section 5. Advance of Expenses. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding, as authorized in the particular case, upon receipt of an undertaking by or on behalf of the trustee or officer to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this Article Nine.

Section 6. Other Indemnification Rights. Agents and employees of the Association who are not trustees or officers of the Association may be indemnified under the same standards and procedures set forth above, in the discretion of the Board of Trustees of the Association.

Section 7. Benefitted Parties. Any indemnification pursuant to this Article Nine shall not be deemed exclusive of any other rights to which those indemnified may be entitled and shall continue as to a person who has ceased to be a trustee or officer and shall inure to the benefit of the heirs, executors, and administrators of such a person,

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## ARTICLE TEN

### Committees

The Association shall appoint a nominating committee, as provided in these Bylaws. In addition, the Board of Trustees shall appoint other committees as deemed appropriate in carrying out its purpose.

## ARTICLE ELEVEN

### Books and Records

#### Section 1. Accounting.

1.1 The books and accounts of the Association shall be kept in accordance with generally accepted accounting procedures under the direction of the Treasurer.

1.2 At the close of each fiscal year, the books and records of the Association shall be reviewed by an independent public accountant approved by the Association, and financial statements shall be audited by said accountant and distributed to all Owners.

Section 2. Inspection of Records. The membership register, books of account and minutes of meetings of the Association, of the Board of Trustees and of committees of the Board of Trustees and all other records of the Project maintained by the association or Manager shall be made available for inspection and copying by any member of the Association or his duly appointed representative at any reasonable time and for a non-commercial purpose reasonably related to his interest as a Member, at the office where the records are maintained. Upon receipt of an authenticated written request from a Member along with the fee prescribed by the board of Trustees to defray the costs of reproduction, the Manager or other custodian of records of the Association shall prepare and transmit to the Member a copy of any and all records requested. The Board of Trustees shall establish reasonable rules with respect to:

2.1 Notice to be given to the custodian of the records by the Member desiring to make the inspection;

2.2 Hours and days of the week when such an inspection may be made; and

2.3 Payment of the cost of reproducing copies of documents requested by a Member.

Every member of the Board of Trustees, subject to the conditions set forth above, shall have the absolute right at any reasonable time to inspect and make copies of all books, records and documents of the Association and to inspect all real and personal properties owned or controlled by the Association.

## ARTICLE TWELVE

### Assessments

All Assessments shall be made in accordance with the general provisions of Article III of the Declaration. The Treasurer shall keep detailed records of all receipts and expenditures, including expenditures affecting the Project, specifying and itemizing the maintenance, repair and replacement expenses of the Project and any other expenses incurred. Such records shall be available for examination by the Owners during regular business hours. In accordance with the actions of the Board of Trustees in assessing Common Expenses against the Units and Owners, the Treasurer shall keep an accurate record of such assessments and of the payments thereof by each Owner.

## ARTICLE THIRTEEN

### Corporate Seal

The Association may, but shall not be obligated to, have a seal in circular form having within its circumference the words: Colonial Springs Association, Inc.", or in lieu thereof the word "SEAL" may be placed adjacent to the signature of an authorized officer of the Association.

## ARTICLE FOURTEEN

### Amendments

Section 1. Amendment Procedure. These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of a majority of the authorized Members. So long as Declarant is in control of the Association, no amendment to these Bylaws shall be effective without prior approval of the Veterans Administration so long as there is VA financing on any Unit.

Section 2. Conflict. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

## ARTICLE FIFTEEN

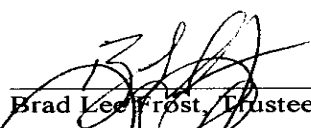
### Transfer of Control by Declarant

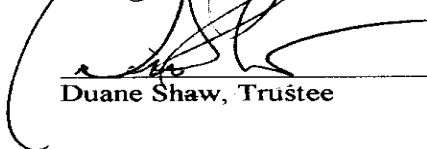
The Declarant shall relinquish all special rights, express or implied, through which Declarant may directly or indirectly control, direct, modify or veto any action of the Association or a majority of the Unit Owners, and control of the Association shall pass to the Unit Owners within the Project not later than the earlier of the following:

- i. 120 days after the date by which seventy-five percent (75%) of the Units have been conveyed to the Unit purchasers, or
- ii. Seven (7) years from the date of the first conveyance to a Unit purchaser is made.

IN WITNESS WHEREOF, we, being all of the originals trustees of Colonial Springs Association, Inc., have hereunto set our hands this 12 day of December, 2001.

  
Norman L. Frost, Trustee

  
Brad Lee Frost, Trustee

  
Duane Shaw, Trustee

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of Colonial Springs Association, Inc., a Utah corporation; and

That the foregoing Bylaws constitute a true and correct copy of the original Bylaws of said Association, as duly adopted at a meeting of the Board of Trustees thereof, held on the 12 day of December, 2001.

IN WITNESS WHEREOF, I have hereunto subscribed my name of the Association this 12 day of Dec, 2001.

COLONIAL SPRINGS ASSOCIATION,  
INC.

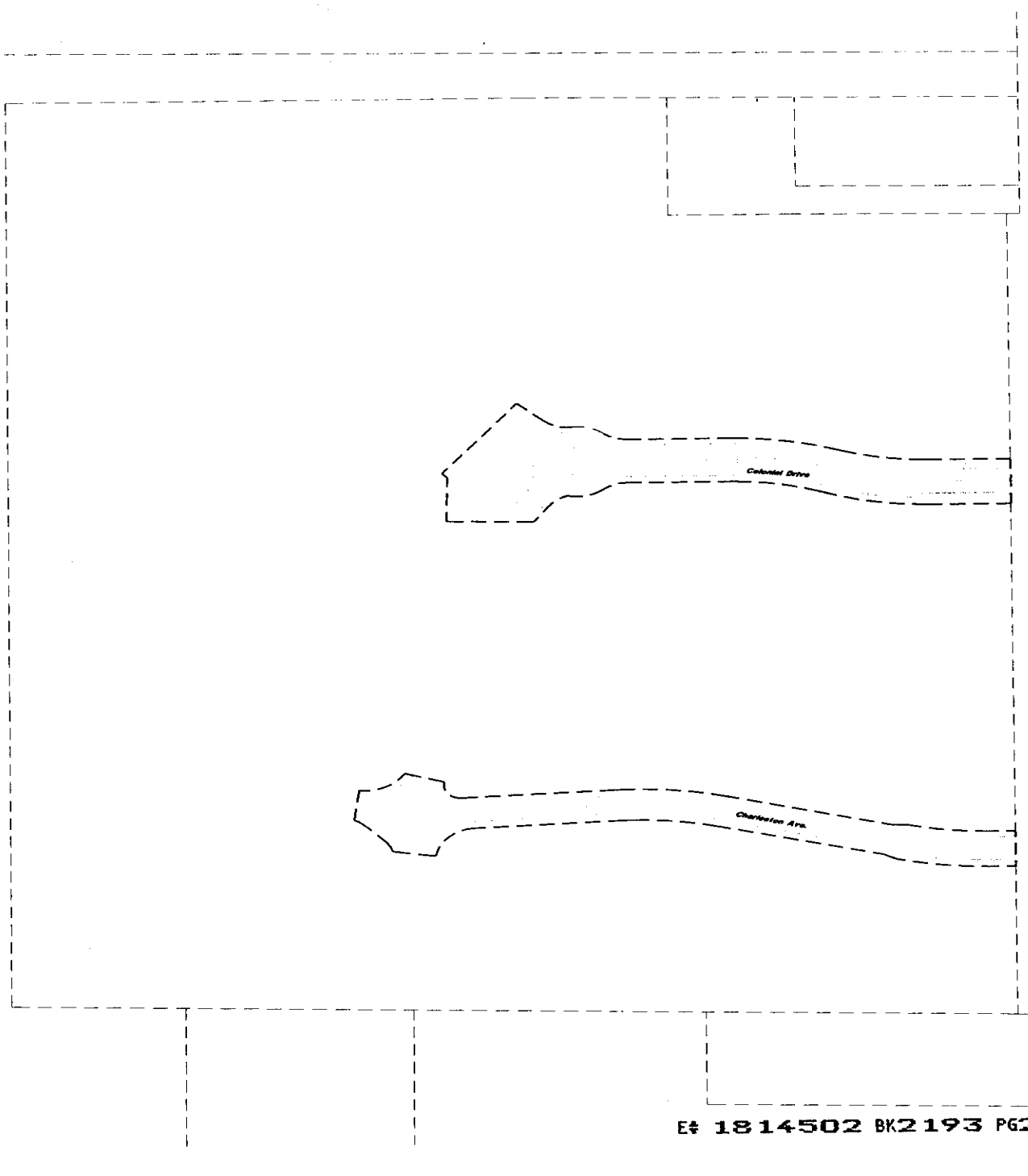
By:   
Its: Secretary

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**EXHIBIT "F"**  
**Plats**

**E# 1814502 BK2193 PG2155**

2490 NORTH STREET



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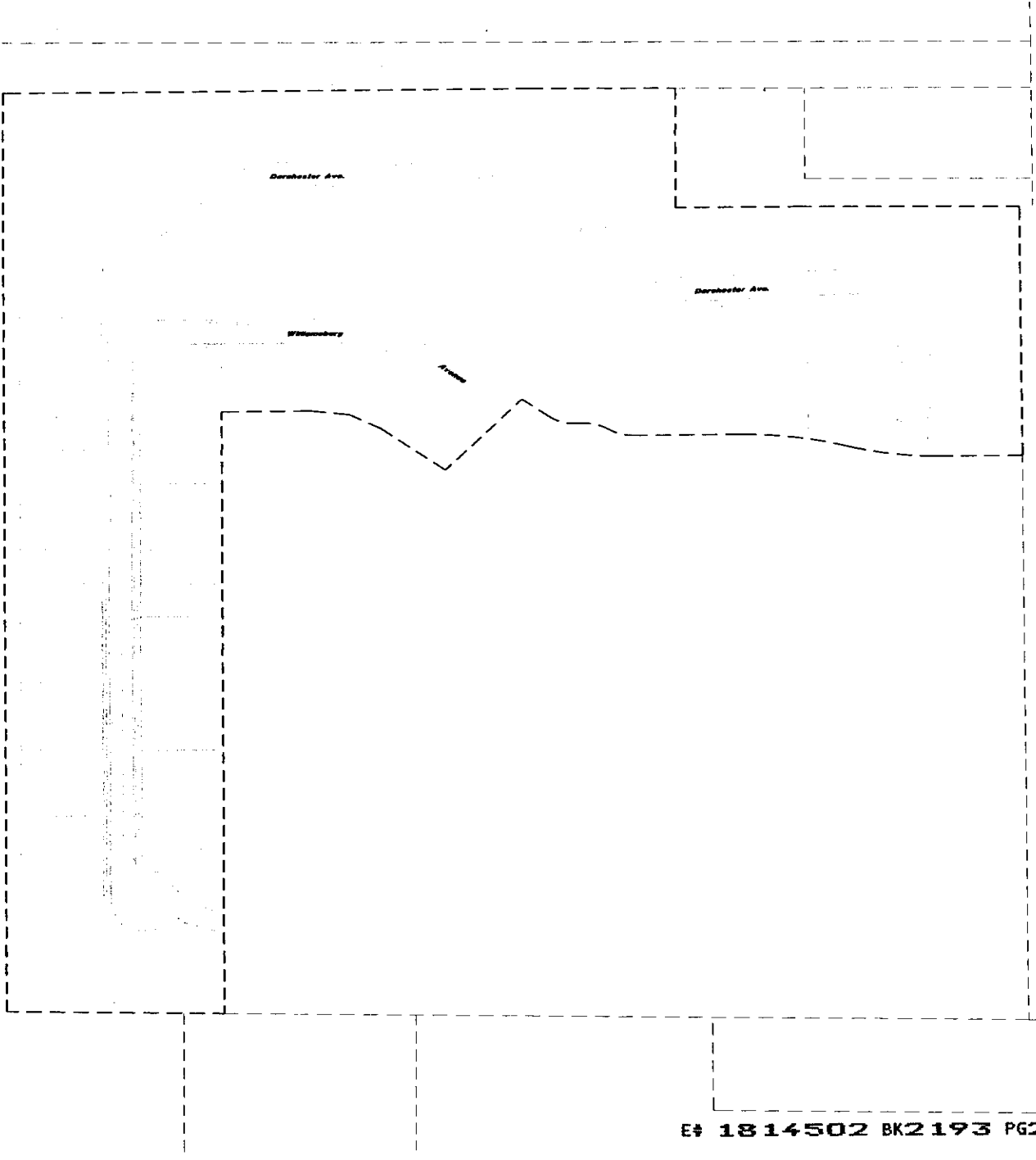
Colonial Springs Home Owners Association



**REEVE & ASSOCIATES, INC.**

Civil Engineering • Structural Engineering  
Surveying • Land Planning • Landscape Architecture  
4155 St. Vincent Ave. #110  
(801) 427-3262 Fax (801) 427-3264

2550 NORTH STREET



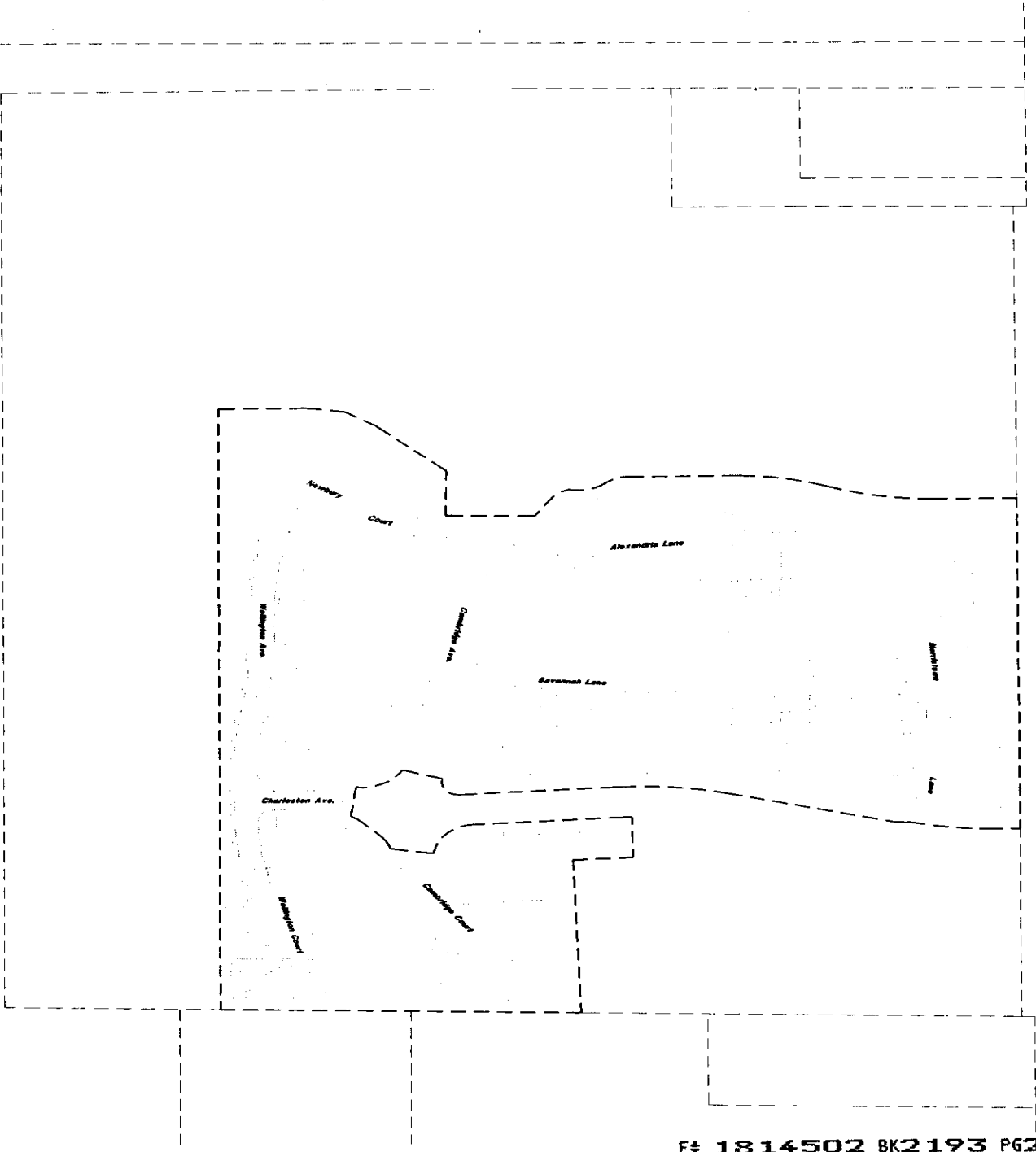
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The Cottages Home Owners Association - 105 Units



**REEVE & ASSOCIATES, INC.**

Civil Engineering • Structural Engineering  
Surveying • Land Planning • Construction Administration  
415 S. Vermont Ave., #10  
Boston, MA 02118  
(617) 552-2100 Fax (617) 552-2144



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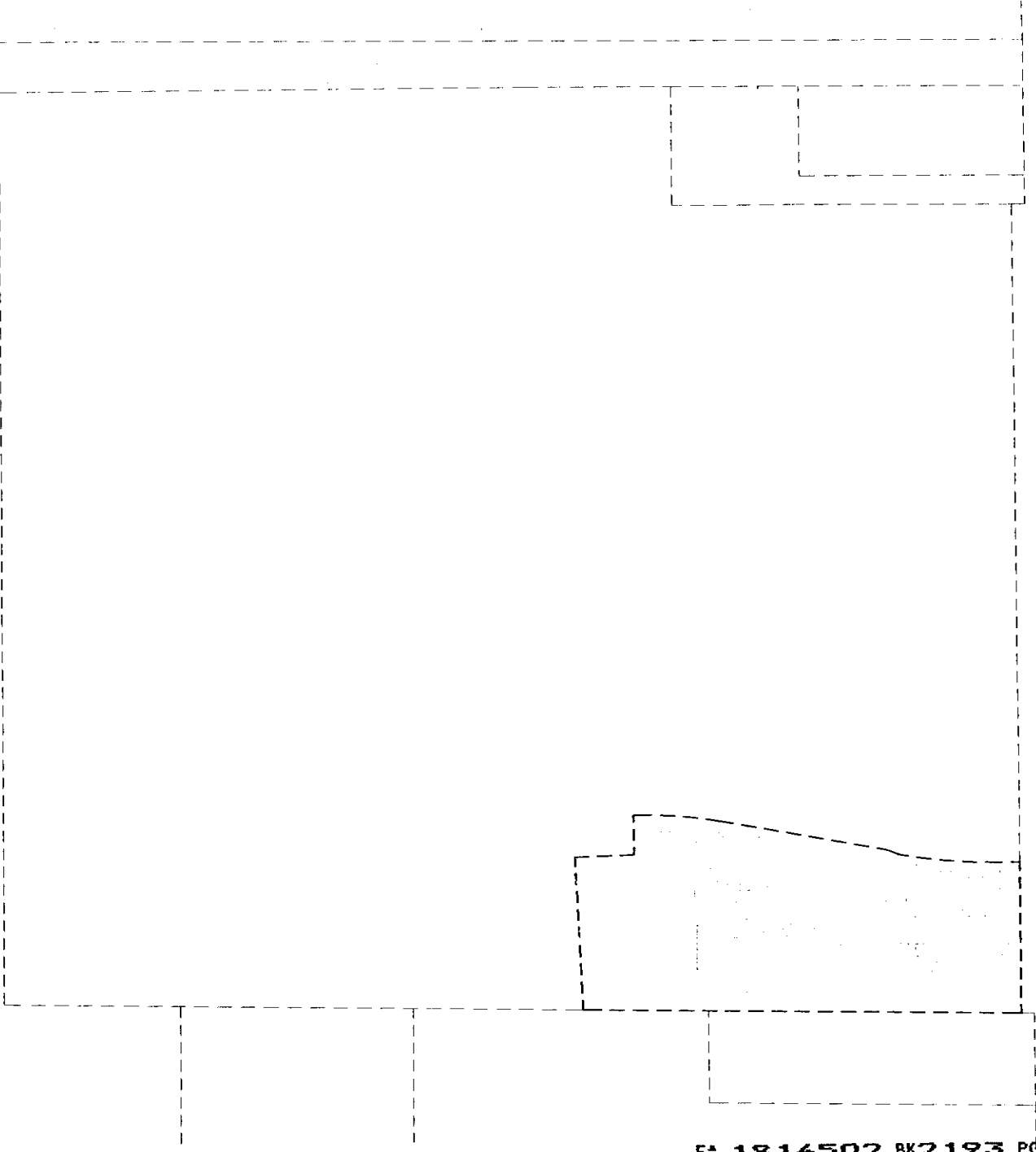


**REEVE & ASSOCIATES, INC.**

Civil Engineering • Structural Engineering  
Surveying • Land Planning • Landscape Architecture  
1155 St. James Ave. #110  
Baltimore, MD 21202  
(410) 527-1000 Fax (410) 521-3444



2390 NORTH STREET



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The Georgian Home Owners Association - 84 Units



**REEVE & ASSOCIATES, INC.**

Civil Engineering • Structural Engineering  
Surveying • Land Planning • Landscape Architecture  
4155 St. Morris Ave. #115  
Atlanta, GA 30341  
(404) 525-7100 Fax (404) 525-7144