

03-182-0025 thru 0031, 0047 thru 0050
03-164-0019 thru 0023, 0032 thru 0047
03-159-0001 thru 0017

WHEN RECORDED RETURN TO:

Paul M. King
Hoole & King, L.C.
4276 South Highland Drive
Salt Lake City, Utah 84124

03-196-0007, 0008

RETURNED
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2003 MAY 12 7:31 AM FEE 128.00 DEP MT
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FOURTH
~~SECOND~~ AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS AND RESERVATION OF EASEMENTS
OF PARK SHADOWS CONDOMINIUMS

FOURTH
THIS ~~SECOND~~ AMENDED AND RESTATED DECLARATION OF COVENANTS AND
RESERVATION OF EASEMENTS, CONDITIONS AND RESTRICTIONS OF PARK
SHADOWS CONDOMINIUMS is executed this day 22 of April, 2002, by PARK
SHADOWS OWNERS ASSOCIATION, INC., a Utah Non-Profit Corporation.

RECITALS:

- A. Capitalized terms in this Declaration are defined in Article One.
- B. The Declarant, holding legal title to a certain tract of real property located in Davis County, Utah, and more particularly described in Article Two of this Declaration, intending to establish a common scheme and plan for the possession, use, enjoyment, repair, maintenance, restoration and improvement of the Property and the interests therein conveyed and to establish thereon a planned unit development in accordance with the terms hereof, recorded, on or about September 24, 1996, the original Declaration of Covenants, Conditions and Restrictions and Reservation of Easements of Park Shadows Condominiums as Entry No. 1275913, in Book 2046 at Pages 918-959, in the official records of the Davis County Recorder.
- C. On or about 01/08/01 a ^{Third} Amended Declaration of Covenants, Conditions and Restrictions and Reservation of Easements of Park Shadows Condominiums was recorded as Entry No. ¹⁶³²⁸⁴⁹, Book ²⁷³⁴, Pages ¹³³⁻¹³⁷, in the office of the Davis County Recorder.
- D. Park Shadows Owners Association, Inc., a Utah nonprofit corporation, desiring to again amend the Declaration, has provided the notice of meeting and the ballot required by Section 6 of the Bylaws.
- E. More than the required 67% of the total votes of the Association were voted in favor of the proposed amendment to the Declaration pursuant to Article Twelve, subsection 3 of the Declaration, as amended. The Declaration is hereby amended and restated in its entirety to be and state as set forth herein.

NOW THEREFORE, it is hereby declared that the property shall be held sold, conveyed, Leased, encumbered and used subject to the following ~~Second~~^{Fourth} Amended and Restated Declaration of Covenants Conditions And Restrictions and Reservations of Easements of Park Shadows Condominiums which shall constitute covenants which run with the land and shall be binding on and be for the benefit of the Association, the Declarant, its successors and assigns and all owners of all or any part of the Property, together with their grantees, successors, heirs, executors, administrators, devisees and assigns, all as set forth herein.

ARTICLE ONE

Definitions

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

1. Articles or Articles of Incorporation

Shall mean and refer to the Articles of Incorporation of the Association filed with the Utah State Department of Commerce, Division of Corporations and Commercial Code at or about the time the original Declaration was filed for record.

2. Association

Shall mean and refer to the PARK SHADOWS OWNERS ASSOCIATION, INC., a Utah nonprofit corporation.

3. Board of Trustees or Board

Shall mean and refer to the governing board of the Association which shall be appointed or elected in accordance with the Declaration, the Articles of Incorporation and Bylaws of the Association.

4. Bylaws

Shall mean and refer to the Bylaws of the Association as amended from time to time.

5. Common Areas

Shall mean and refer to that part of the Property, which is not included within the Units, including all roadways within the Project and all improvements other than utility lines now or hereafter constructed or located thereon. The Common Areas are owned by the Association and are described in Article Two below (excluding therefrom any Property included within the Units):

6. Common Expense Fund

Shall mean and refer to the fund created or to be created pursuant to the provisions of Article Five of this Declaration and into which all monies of the Association shall be deposited. Two separate and distinct funds shall be created and maintained hereunder, one for operating

expenses and one for capital expenses which together shall constitute the Common Expense Fund.

7. Common Expenses

Shall mean and refer to those costs and expenses arising out of or connected with the maintenance and operation of the Project and Association as described in Article Five hereof and which determine the assessments made to Owners.

8. Declaration

Shall mean and refer to this ^{Fourth} ~~Second~~ Amended and Restated Declaration of Covenants, Conditions and Restrictions And Reservation of Easements of Park Shadows Condominiums, as the same may hereafter be modified, amended and supplemented.

9. Declarant

Shall mean and refer to Park Shadows, L.C., a Utah limited liability company, and/or any successor thereof which, either by operation of law or through a voluntary conveyance, transfer, or assignment, comes to stand in the same relation to the Property (or a portion thereof) as did its predecessor.

10. Eligible Mortgagee

Shall mean and refer to a First Mortgagee which has requested notice of certain matters from the Association in accordance with Section I of Article Twelve of this Declaration.

11. FNMA

Shall mean and refer to the Federal National Mortgage Association.

12. First Mortgage

Shall mean any Mortgage which is not subject to any lien or encumbrance except liens for taxes or other liens which are given priority by statute.

13. First Mortgagee

Means any person named as a Mortgagee under a First Mortgage, or any successor to the interest of any such person under a First Mortgage, which First Mortgage is not subject to any lien or encumbrance except liens for taxes or other liens which are given priority by statute.

14. Limited Common Areas

Shall mean any Common Areas designated as reserved for use by the Owner of a certain Unit or Units to the exclusion of the other Owners in the Project. Any patio areas, parking areas and/or storage facilities that are identified on the Plat as Limited Common Areas are permanently assigned to specific Units, annexed to such Units, for the exclusive use of such Units. The Plat permanently designates the Unit or Units to which each of the Limited Common Areas belongs.

15. Unit

Shall mean and refer to any of the separately numbered and individually described units now or hereafter shown on the Plat. Except where the context specifically otherwise requires, reference to a Unit shall include reference to the Condominium thereon.

16. Manager

Shall mean and refer to the person, firm or company, if any, designated from time to time by the Association to manage, in whole or in part, the affairs of the Association and Project.

17. Member

Shall mean and refer to every person who holds membership in the Association.

18. Mortgage

Shall mean any mortgage, deed of trust, or other document pledging any portion of a Unit or interest therein as security for the payment of a debt or obligation.

19. Mortgagee

Shall mean a beneficiary of a Mortgage as well as named Mortgagee.

20. Owner

Shall mean the person or persons, including the Association, owning in fee simple a Unit in the Project, as such ownership is shown by the records of the County Recorder of Davis County, State of Utah. The term "Owner" shall not refer to any Mortgagee (unless such Mortgagee has obtained title in fee simple to a Unit pursuant to a judicial or nonjudicial action, including, without limitation, a foreclosure proceeding or any deed or other arrangement in lieu of foreclosure) or to any person or persons purchasing a Unit under contract (until such contract is fully performed and legal title conveyed of record).

21. Plat

Shall mean and refer to the condominium map for Park Shadows Condominiums, recorded in the office of the County Recorder of Davis County, Utah, and all amendments thereto.

22. Project

Shall mean and refer to the Property and the plan of development and ownership of the Property created and governed by this Declaration, the Articles and the Bylaws.

23. Property

Shall mean and refer to the entire tract of real property now or hereafter covered by the Plat. A description of the real property covered by the Plat on the effective date of this ~~Second~~ ^{Fourth} Amended Declaration is set forth in Article Two of this Declaration.

24. Condominium

Shall mean and refer to a structure or portion of a structure which is designed and intended for use and occupancy as a single-family residence in a multi-unit project, together

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with all improvements located on the Unit concerned which are used in conjunction with such residence, and an undivided interest in common in the common areas and facilities of the Project.

25. Condominium Building

Shall mean and refer to a structure containing one, two or three Units, constituting a portion of the Project.

26. Condominium Building Exteriors

Shall mean and refer to those portions of the Condominium Buildings which are open to the elements such as roofs, exterior walls, exterior doors, footings, foundations, basement walls and window wells.

- All Park Shadows Condo #1
- All Park Shadows Condo #2
- All Park Shadows Condo #3
- All Park Shadows Condo #4

ARTICLE TWO

Property Description

The Property initially associated with the Project which is and shall be held, transferred, sold, conveyer, and occupied subject to the provisions of this Declaration consists of the following described real property situated in Davis County, State of Utah:

BEGINNING AT THE NORTHWEST CORNER OF CHAPEL SUBDIVISION, PLAT "A" IN BOUNTIFUL CITY, DAVIS COUNTY, UTAH, WHICH POINT IS NORTH 89°33'29" WEST 1,141.76 FEET ALONG THE SOUTH LINE OF 1000 NORTH STREET (A 66 FT. WIDE ROAD) FROM THE NORTHEAST CORNER OF BLOCK 9, NORTH MILL CREEK PLAT, BOUNTIFUL TOWNSITE SURVEY, SAID POINT OF BEGINNING BEING ALSO SOUTH 89°33'29" EAST 620.33 FEET ALONG SAID SOUTH LINE OF 1000 NORTH STREET FROM THE NORTHWEST CORNER OF LOT 2 OF SAID BLOCK 9 AND RUNNING THENCE SOUTH 15°01'31" WEST 1,093.17 FEET ALONG THE EXTENDED WEST BOUNDARY OF SAID CHAPEL SUBDIVISION PLAT "A" AND THE HOLBROOK SUBDIVISION SAID LINE BEING ALSO THE EAST LINE OF THE OLD BAMBERGER RAILROAD RIGHT-OF-WAY; THENCE NORTH 89°33'29" WEST 183.50 FEET; THENCE NORTH 0°07'52" WEST 596.00 FEET; THENCE NORTH 89°33'29" WEST 151.00 FEET; THENCE NORTH 0°07'52" WEST 175.00 FEET ALONG THE EAST LINE OF 200 WEST STREET (A 66 FT. WIDE ROAD) TO A POINT WHICH IS SOUTH 0°07'52" EAST 287.00 FEET ALONG SAID EAST LINE OF 200 WEST STREET FROM SAID NORTHWEST CORNER OF LOT 2; THENCE SOUTH 89°33'29" EAST 474.59 FEET; THENCE NORTH 15°01'31" EAST 296.54 FEET ALONG THE WEST LINE OF SAID OLD BAMBERGER RAILROAD RIGHT-OF-WAY; THENCE SOUTH 89°33'29" EAST 68.20 FEET ALONG SAID SOUTH LINE OF 1000 NORTH STREET TO THE POINT OF BEGINNING. CONTAINING 6.1469 ACRES.

- 03 - 159 - 0001 thru 0017 thru 0047
- 03 - 164 - 0019 thru 0023, 0032 ARTICLE THREE
- 03 - 182 - 0025 thru 0031, 0047 thru 0050 The Association
- 03 - 196 - 0007, 0008

Section 1. Membership

Each Owner shall be entitled and required to be a Member of the Association. Membership will begin immediately and automatically upon becoming an Owner and shall terminate immediately and automatically upon ceasing to be an Owner. If title to a Unit is held by more than one person, the membership belonging to that Unit shall be shared by all such persons in the same proportionate interest and by the same type of tenancy in which title to the Unit is held. An Owner shall be entitled to one membership interest for each Unit owned by such owner. Each membership shall belong to the Unit to which it relates and shall be transferred automatically by conveyance of that Unit. Ownership of a Unit within the Project cannot be separated from membership in the Association, and any devise, encumbrance, conveyance or other disposition of such Unit shall automatically constitute a devise, encumbrance, conveyance or other disposition of the Owner's membership in the Association and rights belonging thereto. No person or entity other than an Owner may be a Member of the Association and membership in the Association may not be transferred except in connection with the transfer of a Unit. The Association shall make available to the owners, Mortgagees and the holders, insurers and guarantors of the First Mortgage on any Unit current copies of the Declaration, Articles Bylaws and other rules governing the Project and other books, records and financial statements of the Association. The term "available" shall mean available for inspection, upon not less than 24 hours' written request, during normal business hours or under other reasonable circumstances as determined by the Association.

Section 2. Board of Trustees

The Board of Trustees of the Association shall be appointed by the Members of the Association according to the voting rights set forth below, and as further defined and set forth in the Bylaws of the Association.

Section 3. Votes

The Owner of each Unit shall be entitled to one (1) vote for each Unit owned, regardless of the size or configuration of each Unit. The number of votes to which each Unit is entitled shall be permanent, and shall not change. In the event that there is more than one Owner of a particular Unit, the votes relating to such Unit shall be exercised as such Owners may determine among themselves. No Unit shall have more than one (1) vote, regardless of the number of persons having an ownership interest in the Unit. The votes cast at any Association meeting by any of such Owners, whether in person or by proxy, shall be conclusively presumed to be the votes attributable to the Unit concerned unless an objection is immediately made by another Owner of the same Unit. In the event such an objection is made, the votes involved shall not be counted for any purpose whatsoever other than to determine whether a quorum exists.

Section 4. Maintenance of Condominium Building Exteriors

The Association shall maintain all Condominium Building Exteriors as follows: paint, repair, replacement and care of roofs, gutters, downspouts, foundations, window wells, sump pumps, fences, exterior building surfaces, exterior door and other exterior improvements, as well as all trees, shrubs, grass, walks and steps located on or around a Unit. Such exterior maintenance shall not include glass surfaces and window screens or patios included on any

Unit. The Association shall have the right of entry to any Condominium to perform emergency repairs or do other work necessary for maintenance of the Condominium Building Exteriors.

In the event that the need for maintenance or repair of the Condominium Building Exteriors is caused through the willful or negligent acts of its Owner(s), or through the willful or negligent acts of the family, guests, tenants or invitees of the Owner(s) of the Unit needing such maintenance or repair, the cost of such exterior maintenance shall be added to and become a part of the assessment to which such Unit is subject.

Section 5. Professional Management

The Association may, but shall not be required to, carry out through the Manager those of its functions which are properly the subject of delegation. The Manager so engaged, if any, shall be an independent contractor and not an agent or employee of the Association, shall be responsible for managing the Project for the benefit of the Association and the Owners, and shall, to the extent permitted by law and by the terms of the agreement with the Association, be authorized to perform any of the functions or acts required or permitted to be performed by the Association itself. Any such agreement may be terminated by the Association without cause at any time.

Section 6. Amplification

The provisions of this Section may be amplified by the Articles and the Bylaws; provided, however, that no such amplification shall substantially alter or amend any of the rights or obligations of the Owners set forth in this Declaration.

ARTICLE FOUR

Property Rights in Common Areas and Units

Section 1. Easement of Environment

Each Member shall have a right and easement of use and enjoyment in and to the Common Areas. Each Owner shall have an unrestricted right of ingress or egress to and from its Unit over and across such Common Areas. Each owner shall also have the exclusive right to use and enjoy any Limited Common Areas that may be designated in the Plat or by the Association for exclusive use by such Owner. Such rights and easements shall belong to and shall pass with title to each Unit and in no event shall be separated therefrom. Any conveyance, encumbrance, judicial sale, or other transfer (voluntary or involuntary) of an individual interest in such rights and easements shall be void unless the Unit to which such interest belongs is also transferred. However, any Member may delegate the right and easement of use and enjoyment described herein to any family members, household guest, tenant, lessee, contract purchaser, or other person who resides in such Member's Unit.

Section 2. Easements for Encroachments

In the event the construction, reconstruction, repair, shifting, settlement or any other movement of any portion of the improvements causes any part of a Condominium built in substantial accord with the boundaries for such Condominium as depicted on the Plat to encroach upon the Common Areas, or upon an adjoining Unit, or if any part of the Common

Areas encroaches or shall encroach upon a Unit or Condominium for any such reasons, an easement for such encroachment and for the maintenance of the same shall and does exist. There is also hereby created an easement for any encroachment by any roof overhang upon an adjoining Unit over any part of the Common Areas.

Section 3. Limitation on Easement

A Member's right and easement of use and enjoyment concerning the Common Areas shall be subject to the following:

A. The right of the Association to suspend a Member's voting right in the Association and a Member's right to the use of any recreational facilities included in the Common Areas for any period during which (i) an assessment on such Member's Unit remains unpaid; (ii) for a period not exceeding sixty (60) days for any infraction by such Member of the provisions of this Declaration or of any rule or regulation promulgated by the Association; and (iii) for successive 60-day periods if any such infraction is not corrected during any prior 60-day suspension period;

B. The right of the Association to impose reasonable limitations on the number of guests per Member who at any given time are permitted to use the Common Areas

C. The right of Davis County or any other governmental or quasi-governmental body having jurisdiction over the Property to access and rights of ingress and egress over and across any street, parking area, walkway, or open area contained within the Property for purposes of providing police and fire protection, transporting school children; and providing other governmental or municipal service.

Section 4. Party Walls

Each wall or ceiling-floor physical boundary which is built as part of the original construction (or reconstruction) of the Condominiums upon the Units and placed on the dividing line (whether horizontal or vertical) between the Units shall constitute a "Party Wall", and, to the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply to all party Walls within the Project. The cost of reasonable repair and maintenance of a Party Wall shall be shared equally by the Owners who make use of such Party Wall. If a party Wall is destroyed or damaged by fire or other casualty, the provisions of Article Seven hereof shall apply. Notwithstanding any other provision of this Section, an Owner who by his negligent or willful act causes a party Wall to be damaged shall bear the entire cost of furnishing repairs to the Party Wall. The right of any Owner to contribution from any other Owner under this Section shall be considered part of, and annexed to the land and shall pass to such Owner's successors in title.

Section 5. Form for Conveyancing

Any deed, lease, mortgage, deed of trust, or other instrument conveying or encumbering title to a Unit may describe the interest or estate involved substantially as follows:

"Unit No. _____ of Park Shadows Condominiums, together with all improvements located thereon, as said Unit is identified in the Plat of said development and in the Declaration of Covenants, Conditions and Restrictions And Reservation of Easements of Park Shadows Condominiums, as amended, both recorded in the Recorder's Office of Davis County, State of Utah. TOGETHER WITH a right and easement of use and enjoyment in and to the Common Areas described, and as provided for, in said Declaration of Covenants, Conditions and Restrictions."

Whether or not the description employed in any such instrument is in the above specified form, however, all provisions of this Declaration shall be binding upon and shall inure to the benefit of any party who acquires any interest in a Unit.

Section 6. Transfer of Title

The Declarant has agreed to cause the conveyance to the Association of title to the Common Areas free and clear of all liens (other than the lien of current general taxes and the lien of any assessments, charges, or taxes imposed by governmental or quasi-governmental authorities), before the first conveyance of a Unit from Declarant to a third-party purchaser. The Association shall have the right to grant permits, licenses and easements over the Common Areas for utilities, roads, and other purposes as may be necessary for the proper operation of the Project.

ARTICLE FIVE

Assessments

Section 1. Agreement to Pay Assessments

Each Owner of any Unit by the acceptance of instruments of conveyance and transfer therefore, whether or not it be so expressed in said instruments, shall be deemed to covenant and agree with each other and with the Association to pay to the Association all assessments made by the Association for the purposes provided in this Declaration. Such assessments shall be fixed, established and collected from time to time by the Association as provided in this Article Five.

A. The maximum annual assessment may be increased each year by up to fifteen percent (15%) above the maximum assessment for the previous year without a vote of the Members.

B. The maximum annual assessment may be increased more than fifteen percent (15%) above the maximum assessment for the previous year only by a vote of at least sixty-seven percent (67%) of the votes (determined in accordance with Section 3 of Article Three) of Members who are voting in person or by proxy, at a meeting duly called for this purpose.

C. The Board may fix the annual assessment at an amount not in excess of

the maximum, as defined above.

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Section 2. Annual Assessments.

Annual assessments shall be computed and assessed against all Units in the Project as follows:

A. Common Expense. Annual assessments shall be based upon advance estimates of the Association's cash requirements to provide for payment of all estimated expenses arising out of or connected with the maintenance and operation of the Common Areas, the Condominium Building Exteriors, and furnishing common utility services and other common items to the Condominiums. Such estimated expenses may include, without limitation, the following: expenses of management; real property taxes and special assessments on the Common Areas (and the Units until the Units are separately assessed); premiums for all insurance that the Association is required or permitted to maintain hereunder; repairs and maintenance of the Common Areas and Condominium Building Exteriors; landscaping; wages of Association employees, including fees for a Manager; repairs and replacements of window well sump pumps; utility charges, including charges for utility services to the Condominiums to the extent not separately metered or billed; legal and accounting fees; any deficit remaining from a previous period; creation of an adequate contingency reserve, major maintenance reserve and/or sinking fund; creation of an adequate reserve fund for maintenance repairs, and replacement of those Common Areas and Condominium Building Exteriors that must be replaced on a periodic basis; and any other expenses and liabilities which may be incurred by the Association for the benefit of the Owners under or by reason of this Declaration. The aggregate of all such items shall constitute the Common Expenses, and all funds received from assessments under this Article 5 Section 2.A shall be part of the Common Expense Fund. Two separate and distinct funds shall be created and maintained hereunder, one for operating expenses and one for capital expenses which together shall constitute the Common Expense Fund.

B. Apportionment. Common Expenses shall be apportioned among and assessed to all Units equally.

C. Annual Budget. Annual assessments shall be determined on the basis of a fiscal year beginning January 1 and ending December 31 next following. On or before December 1 of each year, the Board of Trustees shall prepare and furnish to each Owner, or cause to be prepared and furnished to each Owner, an operating budget for the upcoming fiscal year. The budget shall itemize the estimated expenses of Common Expense for such fiscal year, anticipated receipts (if any) and any deficit or surplus from the prior operating period. The budget shall serve as the supporting document for the annual assessment for the upcoming fiscal year and as the major guideline under which the Project shall be operated during such annual period.

D. Notice and Payment. The Board of Trustees shall notify each Owner in writing as to the amount of the annual assessment against his or her Unit on or before December 1 each year for the fiscal year beginning on January 1 next following. Except

as otherwise provided by the Board, each annual assessment shall be payable in twelve equal monthly installments, one such installment due on the first day of each calendar month during the fiscal year to which the assessment relates. All unpaid installments of any annual assessment shall bear interest at the rate established by the Board not to exceed eighteen percent (18%) per annum from fifteen (15) days after the date each such installment became due until paid. The Board of Trustees shall also have the right to assess a late fee of up to five percent (5%) of any assessment installment not paid within fifteen (15) days following the due date thereof. In addition, in the event that any installment of the annual assessment is not paid within fifteen (15) days of the date such installment becomes due, the Association may, at its option, and upon fifteen (15) days prior written notice to the Owner, accelerate the due date for all remaining unpaid installments of the annual assessment for the remainder of the fiscal year and all accrued but unpaid interest thereon. Payment of the annual assessment installments so accelerated shall be due at the expiration of said fifteen (15) day notice period and interest shall accrue on the entire sum at the rate established by the Board not to exceed eighteen percent (18%) per annum from such date until paid in full. The failure of the Board of Trustees to give timely notice of any annual assessment as provided herein shall not be deemed a waiver or modification in any respect of the provisions of this Declaration, nor a release of any Owner from the obligation to pay such assessment or any other assessment.

E. Inadequate Funds. In the event that the Common Expense Fund proves inadequate at any time for whatever reason, including nonpayment of any Owner's assessment, the Board of Trustees may, on behalf of the Association, levy additional assessments in accordance with the procedure set forth in Article Five Section 3 below, except that the vote therein specified shall be unnecessary.

Section 3. Special Assessments

In addition to the annual assessments authorized by this Article, the Board of Trustees may, on behalf of the Association, levy, at any time and from time to time, upon the affirmative vote of at least sixty-seven percent (67%) of the voting power of the Association in person or by proxy at a meeting called for such purpose, declare and assess special assessments, payable over such periods as the Board of Trustees may determine, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of the Project or any part thereof, or for any other expenses incurred or to be incurred as provided in this Declaration (including, without limitation, Common Expenses). This Section shall not be construed as an independent source of authority for the Association to incur expenses but shall be construed to prescribe the manner of assessing for expenses authorized by other Sections or Articles hereof. Any amounts assessed pursuant hereto shall be apportioned among and assessed against all Units equally. Notice in writing of the amount of each such special assessment and the time for payment thereof shall be given promptly to the Owners; no payment shall be due less than fifteen (15) days after such notice shall have been given. All unpaid portions of any special assessment shall bear interest at the rate established by the Board not to exceed eighteen percent (18%) per annum from the date such portions become due until paid. All funds received from assessments under this Section shall be part of the Common Expense Fund. The provisions of this Section are not intended to

preclude or limit the assessment, collection or use of annual assessments for the aforesaid purposes.

Section 4. Notice and Quorum for Any Action Authorized Under Sections 1 and 3

Written notice of any meeting called for the purpose of taking any action authorized under Sections 1 or 3 of this Article shall be sent to all Members no less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast fifty percent (50%) of all the votes (exclusive of suspended voting rights) of Members shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 5. Lien for Assessments

All sums assessed to Owners of any Unit within the Project pursuant to the provisions of this Article Six, together with penalties and interest thereon as provided herein, shall be secured by a lien on such Unit in favor of the Association. To evidence a lien for sums assessed pursuant to this Article Five, the Board of Trustees may prepare a written notice of lien setting forth the amount of the assessment, the date due, the amount remaining unpaid, the name of the Owner of the Unit and a description of the Unit. Such a notice shall be signed and acknowledged by a duly authorized officer of the Association and may be recorded in the office of the County Recorder of Davis County, State of Utah. No notice of lien shall be recorded until there is a delinquency in payment of the assessment. Such lien may be enforced by sale or foreclosure conducted in accordance with the provisions of law applicable to the exercise of powers of sale or judicial foreclosure of deeds of trust or mortgages or in any other manner permitted by law. In any such proceeding, including both lien filing and the foreclosure thereof, the Owner shall be required to pay the costs and expenses of such proceeding (including reasonable attorneys' fees), and such costs and expenses shall be secured by the lien being foreclosed. The Owner shall also be required to pay to the Association any assessment against the Unit which shall become due during the period of foreclosure, and all such assessments shall be secured by the lien being foreclosed. The Board of Trustees shall have the right and power in behalf of the Association to bid in at any foreclosure sale and to hold, lease, mortgage or convey the subject Unit in the name of the Association.

Section 6. Personal Obligation of Owner

The amount of any annual or special assessment against any Unit shall be the personal obligation of the Owner of such Unit. Suit to recover a money judgment for such personal obligation shall be maintainable by the Association without foreclosing or waiving the lien securing the same. No Owner may avoid or diminish any such personal obligation by waiver of the use and enjoyment of any of the Common Areas or by abandonment of his Unit or by waiving any services or amenities provided for in this Declaration. In the event of any suit to recover a money judgment of unpaid assessment hereunder, the involved Owner shall pay the costs and expenses incurred by the Association in connection therewith, including reasonable attorneys' fees.

Section 7. Personal Liability of Purchaser

The personal obligation of an Owner to pay unpaid assessments against his Unit as described in Section 6 of this Article Five shall not pass to successors in title unless assumed by them. Provided, however, a lien to secure unpaid assessments shall not be affected by the sale or transfer of the Unit unless foreclosure by a First Mortgagee is involved, in which case the foreclosure will extinguish the lien for any assessments that were payable before the foreclosure sale, but shall not relieve any subsequent Owner from paying further assessments.

Section 8. Evidence of Payment of Annual and Special Assessments

Upon receipt of a written request by a Member or any other person, the Association within a reasonable period of time thereafter shall issue to such Member or other person authorized to receive such information by said Member, a written certificate stating (a) that all annual and special assessments (including interest, costs and attorneys' fees, if any, as provided in Section 2 above) have been paid with respect to any specified Unit as of the date of such certificate, or (b) if all annual and special assessments have not been paid, the amount of such annual and special assessments (including interest, costs and attorneys' fees, if any) due and payable as of such date. The Association may make a reasonable charge for the issuance of such certificates, which charges must be paid at the time the request for any such certificate is made. Any such certificate, when duly issued as herein provided, shall be conclusive and binding with respect to any matter therein stated as against any bond fide purchaser of, or Mortgagee on, the Unit in question.

ARTICLE SIX

Operation And Maintenance

Section 1. Maintenance of Condominiums

Each Condominium and Unit shall be maintained by the Owner thereof so as not to detract from the appearance of the Property and so as not to affect adversely the value or use of any other Condominium or Unit. The Association shall have no obligation regarding maintenance or care of Condominiums or Units except as set forth in Section 2 of this Article Six or elsewhere in this Declaration. Without limiting the generality of the foregoing or an Owner's common-law, contractual, or other duties and obligations, an Owner shall be liable and responsible for all damage caused to a Unit, including Condominium, the Condominium Building Exterior, all Common and Limited Common Areas, and the Project generally, from the intentional acts or negligence of the Owner, the Owner's tenants, invitees, permittees, and other guests.

Section 2. Operation and Maintenance by Association

The Association shall provide for such maintenance and operation of the Common Areas and Limited Common Areas as may be necessary or desirable to make them appropriately usable in conjunction with the Units and to keep them clean, functional, attractive and generally in good condition and repair. The Association shall also provide for the maintenance of all Condominium Building Exteriors. The expenses incurred by the Association for such purposes shall be paid for with funds from the Common Expense Fund.

The Board shall determine the development and design of the elements within the Common Areas, including without limitation the landscaping, overall appearance and presentation of the Common Areas, all expenses for which to be paid for with funds form the Common Expense Fund.

Section 3. Utilities

The Owner shall pay for all utility services furnished to each Unit except utility services which are not separately billed or metered to individual Units by the utility or other party furnishing such service. The Association shall pay such bills which are not separately metered and charge an appropriate share to each Unit and Owner as part of the Common Expenses.

Section 4. Insurance

The Association shall at all times maintain in force insurance which is consistent with FNMA's insurance coverage requirements and meets the following requirements:

A. Hazard Insurance. A "master" or "blanket" type policy of property insurance shall be maintained covering the entire Project, including: Common Areas; all Condominium Buildings including all Condominiums (other than the interior content thereof); fixtures, building service equipment, personal property and supplies comprising a part of the Common Areas or owned by the Association, and which are of a class typically encumbered by Mortgages held by FNMA or other similar institutional Mortgage investors; but excluding land, foundations, excavations, and other items normally not covered by such policies. References herein to a "master" or "blanket" type policy of property insurance are intended to denote single entity insurance coverage. As a minimum, such "master" or "blanket" policy shall afford protection against loss or damage by fire, by other perils normally covered by the standard extended coverage endorsement, and by all other perils which are customarily covered with respect to projects similar to the Project in construction, location, and use, including (without limitation) all perils normally covered by the standard "all risk" endorsement, where such endorsement is available. Such "master" or "blanket" policy shall be in an amount not less than one hundred percent (100%) of current replacement cost of all elements of the Project covered by such policy, exclusive of land, foundations, excavation, and other items normally excluded from coverage. The insurance policy shall include either of the following endorsements to assure full insurable value replacement cost coverage: (1) a Guaranteed Replacement Cost Endorsement (under which the insurer agrees to replace the insurable property regardless of the cost) and, if the policy includes a co-insurance clause, an Agreed Amount Endorsement (which waives the requirement for co-insurance; or (2) a Replacement Cost Endorsement (under which the insurer agrees to pay up to one-hundred percent of the property's insurable replacement cost but no more) and, if the policy includes a co-insurance clause, an Agreed Amount Endorsement (which waives the requirement for co-insurance). The maximum deductible amount for such policy covering the Common Areas shall be the lesser of Ten Thousand Dollars (\$10,000) or one percent (1%) of the policy face amount. However, for losses related to individual Condominiums that are covered by such a policy, the deductible related to each individual Condominium shall be One Thousand Dollars (\$1,000.00). Funds to cover

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these deductible amounts shall be included in the Association's operating reserve account.

B. Flood Insurance. If any part of the Project is or comes to be situated in a Special Flood Hazard Area as designated on a Flood Insurance Rate Map, a "master" or "blanket" policy of flood insurance shall be maintained covering the Condominium Buildings, any machinery and equipment that are not part of a Condominium Building and all Common Areas within the Project (hereinafter "**Insurable Property**") in an amount deemed appropriate, but not less than the lesser of: (1) the maximum limit of coverage available under the National Flood Insurance Administration Program for all Condominium Buildings and Insurable Property within any portion of the Project located within a designated flood hazard area; or (2) one hundred percent (100%) of the insurable value of all such facilities. The maximum deductible amount for any such policy shall be the lesser of Five Thousand Dollars (\$5,000.00) or one percent (1%) of the policy face amount.

(i) The name of the insured under each policy required to be maintained by the foregoing Subsections A and B shall be the Association for the use and benefit of the individual Owners. (Said Owners shall be designated by name, if required.) Notwithstanding the requirement of the two immediately foregoing sentences, each such policy may be issued in the name of an authorized representative of the Association, including any Insurance Trustee with whom the Association has entered into an Insurance Trust Agreement, or any successor to such Trustee, for the use and benefit of the individual Owners. Loss payable shall be in favor of the Association (or Insurance Trustee), as a trustee for each Owner and each such Owner's Mortgagee. Each Owner and each such Owner's Mortgagee, if any, shall be beneficiaries of such policy. Evidence of insurance shall be issued to each Owner and Mortgagee upon request.

(ii) Each policy required to be maintained by the foregoing Subsections A and B, shall contain the standard mortgage clause, or equivalent endorsement (without contribution), commonly accepted by private institutional mortgage investors in the area in which the Project is located. If FNMA is a holder of one or more Mortgagees on Units within the Project, such mortgage clause shall name FNMA or FNMA's servicer of such Mortgages as Mortgagee. If FNMA's servicer is named as mortgagee in such mortgage clause, such servicer's name shall be followed therein by the phrase "its successors and assigns." In addition, such mortgage clause or another appropriate provision of each such policy shall provide that the policy may not be cancelled or substantially modified without at least ten (10) days' prior written notice to the Association and to each Mortgagee which is listed as a scheduled holder of a Mortgage in the policy.

(iii) Each policy required to be maintained by the foregoing Subsections A and B, shall provide, if available, for the following: recognition of any insurance trust agreement; a waiver of the right of subrogation against

Owners individually; the insurance is not prejudiced by any act or neglect of individual Owners which is not in the control of such Owners collectively; and the policy is primary in the event the Owner has other insurance covering the same loss.

(iv) Each policy required to be maintained by the foregoing Subsection A shall also contain or provide the following: (1) "Inflation Guard Endorsement", if available; and (2) "building Ordinance or Law Endorsement", if the enforcement of any building, zoning, or land use law will result in loss or damage, increased cost of repairs or reconstruction, or additional demolition and removal costs. (The endorsement must provide for contingent liability from the operation of building laws, demolition costs, and increased costs of reconstruction).

C. Fidelity Bonds. The Association shall at all times maintain in force and pay the premiums for "blanket" fidelity bonds for all officers, members, and employees of the Association and for all other persons handling or responsible for funds of or administered by the Association whether or not that individual receives compensation for services. Furthermore, where the Association has delegated some or all of the responsibility for the handling of funds to a Manager, the Manager shall provide "blanket" fidelity bonds, with coverage identical to such bonds required of the Association, for the Manager's officers, employees and agents handling or responsible for funds of, or administered on behalf of, the Association. The total amount of fidelity bond coverage required shall be based upon the Association's best business judgment and shall not be less than the estimated maximum of funds, including reserve funds, in the custody of the Association, or the Manager, as the case may be, at any given time during the term of each bond. A lesser amount of fidelity insurance coverage is acceptable for the Project so long as the Association and the Manager adhere to the following financial controls: (1) the Association or the Manager maintains separate bank accounts for the working account and the reserve account, each with appropriate access controls, and the bank in which funds are deposited send copies of the monthly bank statements directly to the Association; (2) the Manager maintains separate records and bank accounts for each Association that uses its services and the Manager does not have authority to draw checks on or to transfer funds from the Association's reserve account; or (3) two members of the Board must sign any checks written on the reserve account. Nevertheless, in no event may the amount of such bonds be less than the sum equal to three months' aggregate assessments on all Units. The bonds required shall meet the following additional requirements: (1) the fidelity bonds shall name the Association as obligee; (2) the bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees", or similar terms or expressions; (3) the premiums on all bonds required herein for the Association (except for premiums on fidelity bonds maintained by the Manager for its officers, employees and agents) shall be paid by the Association as part of the Common Expenses; and (4) the bonds shall provide that they may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least ten (10) days' prior written notice to the

Association, to any Insurance Trustee, and to each servicer of loans on behalf of FNMA.

D. Liability Insurance. The Association shall maintain in force, and pay the premium for a policy providing comprehensive general liability insurance coverage covering all of the Common Areas, Condominium Building Exteriors, public ways in the Project, including any dedicated trail system(s), all other areas of the Project that are under the Association's supervision, and commercial spaces owned by the Association, if any, whether or not such spaces are leased to some third party. The coverage limits under such policy shall be in amounts generally required by private institutional Mortgage investors for projects similar to the Project in construction, location, and use. Nevertheless, such coverage shall be for at least One Million Dollars (\$1,000,000) for bodily injury, including deaths of persons, and property damage arising out of a single occurrence. Coverage under such policy shall include, without limitation, legal liability of the insureds for property damage, bodily injuries and deaths of persons in connection with the operation, maintenance, or use of the Common Areas, and/or Condominium Building Exteriors, and legal liability arising out of lawsuits related to employment contracts of the Association. Additional coverages under such policy shall include protection against such other risks as are customarily covered with respect to projects similar to the Project in construction, location, and use, including but not limited to (where economically feasible and if available), host liquor liability, contractual and all-written contract insurance, employers liability insurance, and comprehensive automobile liability insurance. If such policy does not include "severability of interest" in the terms, the policy shall include a special endorsement to preclude an insurer's denial of any Owner's claim because of negligent acts of the Association or any other Owner. Such policy shall provide that it may not be cancelled or substantially modified, by any party, without at least ten (10) days' prior written notice to the Association and to each Mortgagee which is listed as a scheduled holder of a Mortgage in such policy.

E. Insurance Trustees and General Requirements Concerning Insurance

Notwithstanding any of the foregoing provisions and requirements relating to property or liability insurance, there may be named as an insured on behalf of the Association, the Association's authorized representative, including any trustee with whom the Association may enter into any Insurance Trust Agreement or any successor to such trustee (each of whom shall be referred to herein as the "**Insurance Trustee**"), who shall have exclusive authority to negotiate losses under any policy providing such property or liability insurance. Each Owner hereby appoints the Association, or any Insurance Trustee or substitute Insurance Trustee designated by the Association, as his or her attorney-in-fact for the purpose of purchasing and maintaining such insurance, including: the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accomplish such purpose. The Association, or any Insurance Trustee, shall receive, hold, or otherwise properly dispose of any proceeds of insurance in trust for the use and benefit of the Owners and their Mortgagees, as their interests may appear.

Each insurance policy maintained pursuant to the foregoing Sections A, B, C, and D shall be written by an insurance carrier which is licensed to transact business in the State of Utah and which has a B general policyholder's rating or a financial performance index of 6 or better in the Best's Key Rating Guide. No such policy shall be maintained where: (1) under the terms of the carrier's charter, bylaws, or policy, contributions may be required from, or assessments may be made against, an Owner, a Mortgagee, the Board, the Association, FNMA, or the designee of FNMA; (2) by the terms of the carrier's charter, bylaws, or policy, loss payments are contingent upon action by the carrier's board of directors, policyholders, or members; or (3) the policy includes any limiting clauses (other than insurance conditions) which could prevent the party entitled (including, without limitation, the Board, the Association, an Owner, or FNMA) from collecting insurance proceeds. The provisions of this Section E and of the foregoing sections A, B, C and D shall not be construed to limit the power or authority of the Association to obtain and maintain insurance coverage, in addition to any insurance coverage required hereunder, in such amounts and in such forms as the Association may deem appropriate from time to time.

F. Annual Review of Policies. All insurance policies shall be reviewed at least annually by the Board in order to ascertain whether the coverage contained in the policies is sufficient to make any necessary repairs or replacement of the Project which may have been damaged or destroyed. In addition, such policies shall be reviewed to determine their compliance with the provisions of this Declaration.

ARTICLE SEVEN

Damage or Destruction

Section 1. Association as Attorney-in Fact

All of the Owners irrevocably constitute and appoint the Association their true and lawful attorney in fact in their name, place and stead for the purpose of dealing with the Project upon its damage or destruction as hereinafter provided. Acceptance by any grantee of a deed from the Declarant or from any Owner shall constitute an appointment by said grantee of the Association as his or her attorney-in-fact as herein provided. As attorney-in-fact, the Association shall have full and complete authorization, right and power to make, execute and deliver any contract, deed or other instrument with respect to the interest of an Owner which may be necessary or appropriate to exercise the powers herein granted. All insurance proceeds shall be payable to the Association except as otherwise provided in this Declaration.

Section 2. Definition of Repair and Reconstruction

Repair and reconstruction of the improvements as used herein means restoring the Project to substantially the same condition in which it existed prior to the damage or destruction, with each Condominium and the Common Areas having substantially the same vertical and horizontal boundaries as before.

Section 3. Procedure

In the event all or any part of the Project is damaged or destroyed the Association shall proceed as follows:

A. Notice to First Mortgagees. The Association shall give timely written notice to any holder of any First Mortgage on a Unit or who requests such notice in writing in the event of substantial damage to or destruction of any part of the Common Areas or a Condominium subject to such First Mortgage.

B. Estimate of Costs. As soon as practicable after an event causing damage to or destruction of any part of the Project, the Association shall obtain complete and reliable estimates of the costs to repair and reconstruct the part of the Project damaged or destroyed.

C. Sufficient Insurance. If the proceeds of the insurance maintained by the Association equal or exceed the estimated costs to repair and reconstruct the damaged or destroyed part of the Project, such repair and reconstruction shall be carried out.

D. Insufficient Insurance - Less than Seventy-Five Percent (75%) Destruction. If the proceeds of the insurance maintained by the Association are less than the estimated costs to repair and reconstruct the damaged or destroyed part of the Project and if less than seventy-five percent (75%) of the Project is damaged or destroyed, such repair and reconstruction shall nevertheless be carried out. The Association shall levy a special assessment sufficient to provide funds to pay the actual costs of such repair and reconstruction to the extent that such insurance proceeds are insufficient to pay such costs. Such special assessment shall be allocated and collected as provided in Article Five Section 3 hereof, except that the vote therein specified shall be unnecessary. Further levies may be made in like manner if the amounts collected (together with the proceeds of insurance) are insufficient to pay all actual costs of such repair and reconstruction.

E. Insufficient Insurance - Seventy-Five Percent (75%) or More Destruction. If the proceeds of the insurance maintained by the Association are less than the estimated costs to repair and reconstruct the damaged or destroyed part of the Project and if seventy-five percent (75%) or more of the Project is damaged or destroyed, such damage or destruction shall be repaired and reconstructed, but only if within one hundred (100) days following the damage or destruction, Owners holding at least seventy-five percent (75%) of the votes of the Members vote to carry out such repair and reconstruction. If, however, the Owners do not, within one hundred (100) days after such damage or destruction, elect by a vote of at least seventy-five percent (75%) of the votes of the Members to carry out such repair and reconstruction, but rather elect by a vote of at least sixty-seven percent (67%) of the votes of the Members to terminate the Project and if Eligible Mortgagees who represent at least fifty-one percent (51%) of the votes of Units subject to Mortgages held by Eligible Mortgagees approve such termination, the Association shall record in the office of the County Recorder of

Davis County , State of Utah, a notice setting forth such facts. Upon the recording of such notice, the following shall occur:

- (i) the Project shall be deemed to be owned in common by the Owners;
- (ii) Each Owner of a Unit, (collectively in the case of multiple Owners of a single Unit), shall own an equal, undivided interest in the Project;
- (iii) Any liens affecting any of the Units shall be deemed to be transferred, in accordance with the existing priorities, to the undivided interest of the respective Owner in the Project; and
- (iv) The Project shall be subject to an action for partition at the suit of any Owner, in which event the net proceeds of any sale resulting from such suit for partition, together with the net proceeds of the insurance of the Project, if any, shall be considered as one fund and shall be divided among all Owners after first paying out of the respective share of each Owner, to the extent sufficient for the purposes, all liens on the undivided interest in the Project owned by such Owner. The division of funds shall be based on the fair market values of the Units and Condominiums immediately prior to the damage or destruction, and the Owners shall divide said funds based upon the relative value of the Units and Condominiums prior to the damage or destruction.

F. Priority. In no event shall an Owner of a Unit or any other party have priority over the holder of any First Mortgage on such Unit with respect to the distribution to such Unit of any insurance proceeds.

Section 4. Repair or Reconstruction

If the damage or destruction is to be repaired or reconstructed as provided above, the Association shall, as soon as practicable after receiving the said estimate of costs, commence and diligently pursue to completion the repair and reconstruction of that part of the Project damaged or destroyed. The Association may take all necessary or appropriate action to effect repair and reconstruction, as attorney in fact for the Owners, and no consent or other action by any Owner shall be necessary in connection therewith, except as otherwise expressly provided herein. The Project shall be restored or repaired to substantially the same condition in which it existed prior to the damage or destruction, with each Condominium and the Common Areas having the same vertical and horizontal boundaries as before. Any restoration or repair of the Project, after a partial condemnation or damage due to an insurable hazard, shall be performed substantially in accordance with the Declaration and the original architectural plans and specifications.

Section 5. Disbursement of Funds for Repair and Reconstruction

If repair or reconstruction is to occur, the insurance proceeds held by the Association and any amounts received from assessments made pursuant to Section 3.D of this Article Seven shall constitute a fund for the payment of costs of repair and reconstruction after

casualty .It shall be deemed that the first money disbursed in payment for costs of repair and reconstruction shall be made from insurance proceeds; if there is a balance after payment of all costs of such repair and reconstruction, such balance shall be distributed to the Owners equally, as set forth above.

Section 6. Amendment of Article

This Article Seven shall not be amended unless Owners entitled to vote at least seventy-five percent (75%) of the votes of the Members consent and agree to such amendment and such consent and agreement is reflected in an instrument duly executed by the Board of Trustees of the Association and recorded in accordance with the provisions of this Declaration.

ARTICLE EIGHT

Condemnation

Section 1. Condemnation

If at any time or times all or any part of the Project shall be taken or condemned by any public authority under power of eminent domain, the provisions of this article shall apply. A voluntary sale or conveyance of all or any part of the Project in lieu of condemnation, but under threat of condemnation, shall be deemed to be a taking by power of eminent domain. 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 Board of Trustees shall give prompt written notice of any such proceeding or proposed acquisition to each Owner in the Project and to any First Mortgagee who has requested in writing notice thereof. The Association shall represent the Owners in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of the Common Areas, or any part thereof, and each Owner hereby appoints the Association as such Owner's attorney-in-fact for the purposes of such representation.

Section 2. Proceeds

All compensation, damages and other proceeds from any such taking by power of eminent domain (hereinafter "**Condemnation Award**") shall be made payable to the Association and shall be distributed by the Board of Trustees, on behalf of the Association as herein provided.

Section 3. Complete Taking

In the event the entire Project is taken by power of eminent domain, ownership pursuant hereto shall terminate and the Condemnation Award shall be allocated among and distributed to the Owners and the Owners shall divide the Condemnation Award based upon the relative values of the Units and Condominiums immediately prior to the condemnation. Such distribution shall be made by check payable jointly to the respective Owners and their respective Mortgagees, as appropriate.

Section 4. Partial Taking

In the event less than the entire Project is taken by power of eminent domain, the following shall occur:

A. Allocation of Award. As soon as practicable, the Board of Trustees shall, on behalf of the Association, reasonably and in good faith, apportion the Condemnation Award between compensation, severance damages or other proceeds and shall allocate such apportioned amounts and pay the same to the Owners as follows:

- (i) The total amount apportioned to taking of or injury to the Common Areas shall be allocated among and distributed to all Owners (including Owners whose entire Units have been taken).
- (ii) The total amount apportioned to severance damages shall be allocated among and distributed equally to the Owners of those Units that have not been taken.
- (iii) The respective amounts apportioned to the taking of or injury to a particular Unit shall be allocated and distributed to the Owner of such Unit.
- (iv) The total amount apportioned to consequential damages and any other taking or injuries shall be allocated and distributed as the Association determines to be equitable under the circumstances;
- (v) If apportionment or allocation is already established by negotiation, judicial decree, statute or otherwise, the Association shall employ such apportionment and allocation to the extent it is relevant and applicable;
- (vi) Distribution of allocated proceeds shall be made by check payable jointly to individual Owners and their respective Mortgagees, as their interests may appear; and
- (vii) No provision of this Article Eight or any other provision of this Declaration, the Articles or the Bylaws shall entitle the Owner of a Unit or other party to priority over any First Mortgagee holding such Unit with respect to the distribution to such Unit of the proceeds of any award, settlement or proceeds from any eminent domain or condemnation proceeding.

B. Continuation and Reorganization. If less than the entire Project is taken by power of eminent domain, ownership pursuant hereto shall not terminate but shall continue. In such event the Project shall be reorganized as follows:

- (i) If any partial taking results in the taking of an entire Unit, then the Owner thereof shall cease to be a member of the Association and all voting rights shall terminate;
- (ii) If any partial taking results in the taking of a portion of a Unit, the voting rights appertaining to such Unit shall continue.
- (iii) If any partial taking results in the taking of a portion of a Unit and if there is a determination made by the Board of Trustees, after duly considering any recommendations, proposals, or other input from the Owners, that such taking makes it impractical to use the remaining portion of such Unit, then all voting rights shall terminate and the remaining portion of such Unit shall thenceforth be part of the Common Areas;
- (iv) The Board of Trustees, after duly considering any recommendations, proposals or other input from the Owners, shall have the duty and authority to make all determinations and to take all actions necessary or appropriate to effectuate reorganization of the Project under the provisions of this Section VIII.4.B; provided, however, that if any such determination shall have been or such action take by judicial decree, the Board of Trustees shall defer thereto and proceed in accordance therewith.

C. Repair and Reconstruction. Any repair and reconstruction necessitated by condemnation shall be governed by the provisions specified in Article Seven hereof for cases of Damage or Destruction; provided, however, that the provisions of said article dealing with sufficiency or insufficiency or insurance proceeds shall not be applicable.

ARTICLE NINE

Termination

Section 1. Required Vote

Except as otherwise provided in Article Seven and Article Eight, the Project may be terminated only by agreement of Owners entitled to vote at least sixty-seven percent (67%) of the votes attributable to all Units.

Section 2. Termination Agreement

An agreement to terminate shall be evidenced by the execution or ratification of a termination agreement, in the same manner as a deed, by the requisite number of Owners. Such an agreement to terminate shall also be approved by Eligible Mortgagees who represent at least sixty-seven percent (67%) of the votes of Units subject to First Mortgages held by Eligible Mortgagees. Such approval (and any other approval related to an amendment to this Declaration) shall be deemed given when an Eligible Mortgagee fails to submit a response within thirty (30) days after it receives proper notice of the proposal, provided the notice was delivered by certified or registered mail, with a "return receipt" requested. The termination

agreement shall specify a date after which the agreement will be void unless it is recorded before that date. A termination agreement, including all ratifications of such termination agreement, shall be recorded in Davis County, Utah and is effective only on recordation.

Section 3. Sale of Project

A termination agreement may provide that the entire Project shall be sold following termination. If, pursuant to the agreement, any real estate in the Project is to be sold following termination, the termination agreement shall set forth the minimum terms of the sale.

Section 4. Association Duties

The Association, on behalf of the Owners, may contract for the sale of real estate in the Project, but the contract is not binding on the Owners until approved pursuant to Sections 1 and 2. If any real estate in the Project is to be sold following termination, title to that real estate on termination vests in the Association as trustee for all Owners. Thereafter, the Association has all powers necessary and appropriate to effect the sale. Until the sale has been concluded and the proceeds of the sale distributed, the Association continues in existence with all powers it had before termination. Proceeds of the sale shall be distributed to Owners and Mortgagees as their interests may appear, based on the relative value of each Unit and Condominium. Unless otherwise specified in the termination agreement, as long as the Association holds title to the real estate, each Owner and their successors in interest have an exclusive right to occupancy of the portion of the real estate that formerly constituted their Unit in accordance with the terms of this Declaration. During the period of that occupancy right, each Owner and their successors in interest remain liable for all assessments and other obligations imposed on Owners by this Declaration.

Section 5. Proceeds of Sale

Following termination of the Project, the proceeds of any sale of real estate, together with the assets of the Association, shall be held by the Association as trustee for Owners and Mortgagees as their interests may appear. Following termination, Mortgagees holding Mortgages on the Units which were recorded before termination may enforce those liens in the same manner as any lienholder.

ARTICLE TEN

General Use Restrictions

Section 1. Rules and Regulations

The Association shall have authority to make and enforce such reasonable rules, regulations and procedures as may be necessary or desirable to aid the Association in carrying out any of its functions or to insure that the Property is maintained and used in a manner consistent with the interest of the Owners.

Section 2. Use of Common Areas

The Common Areas shall be used only in a manner consistent with their community nature and with the rules, regulations and use restrictions applicable to Units and Condominiums. No admission fees, charges for use, leases, or other income generating

arrangement of any type shall be employed or entered into with respect to any portion of the Common Areas.

Section 3. Use of Units and Condominiums

All Units are improved with Condominiums and are restricted to such use. Each Condominium shall be used only as a single-family residence. No Unit or Condominium shall be utilized for nightly or weekly rentals. No Unit or Condominium shall house more than one family and their direct lineal descendants. No Unit or Condominium shall be used, occupied, or altered in violation of law, so as to jeopardize the support of any other Condominium, so as to create a nuisance or interfere with the rights of any Owners, or in any way which would result in an increase in the cost of any insurance covering the Common Areas or Condominiums.

Section 4. Use of the Limited Common Areas

Limited Common Areas shall be designated for the use of individual Unit Owners. Such Owners shall have the right to use such Limited Common Areas to the restriction of other Owners. Any Owner may use its designated Limited Common Area for uses such as flower beds adjacent to the Unit, portable barbecues, lawn furniture and hot tubs. No boat pads, basketball standards, fences, dog runs, storage units of any type, or similar equipment shall be constructed or erected in any Limited Common Area.

Section 5. Leases

Any lease agreement between an Owner and a lessee respecting a Unit or Condominium shall be subject in all respects to the provisions of this Declaration, the Articles and Bylaws and any failure by the lessee to comply with the terms of such documents shall be a default under the lease. All such lease agreements shall be in writing, and shall provide for an initial term of not less than one (1) year, but may be extended for additional increments of time of not less than one (1) month each thereafter. An Owner shall be responsible and liable for any damage to the Project caused by its tenant.

Section 6. Easements

Easements for installation and maintenance of utilities are reserved as shown on the Plat. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities. Easements for the installation and maintenance of utilities are also reserved within each Condominium. It is contemplated that telephone, gas, electricity and other utilities may originate in one Condominium and terminate in another Condominium. A right of access to all such utilities is reserved to the Association and to all utility suppliers.

Section 7. Nuisances

No rubbish or debris of any kind shall be placed or permitted to accumulate upon the property and no odors shall be permitted to arise therefrom so as to render any part of the Property unsanitary or unsightly or which would be offensive or detrimental to any other part of the Property or to the occupants thereof. No noise or other nuisance shall be permitted to exist or operate upon any part of the Property so as to be offensive or detrimental to any other part of the Property, or to the occupants thereof. Without limiting the generality of any of the

foregoing, no exterior speakers, horns, whistles, bells or other sound devices (other than security devices used exclusively for security purposes) shall be located, used or placed on the Property without the prior written approval of the Board.

Section 8. Temporary Decorations.

No exterior decoration or displays are allowed on any Unit other than Temporary Decorations. 'Temporary Decorations' is defined for purposes hereof as short-term external displays not permanently affixed to any unit or building. Winter holiday decorations will be allowed only from the day after Thanksgiving until the end of January. For decorations related to other holidays, displays will be allowed four weeks prior to the event and shall be removed within the first week after the event.

Section 9. Temporary and Other Structures

No structures of a temporary nature, trailer, basement house, tent, shack, shed, garage, barn or other outbuildings shall be used at any time as a residence either temporarily or permanently, nor shall said structures be permitted on the Property at any time.

Section 10. Unsightly Articles

No unsightly articles shall be permitted to remain on or near a Unit so as to be visible from any other Unit or the Common Areas. Without limiting the generality of the foregoing, trailers, mobile homes, trucks other than pickups, boats, tractors, vehicles other than automobiles, campers not on a truck, snowmobiles, snow removal equipment and garden or maintenance equipment shall be kept at all times, except when in actual use, in an enclosed structure or screened from view. Refuse, garbage and trash shall be kept at all times in a covered, noiseless container and any such container shall be kept within an enclosed structure or appropriately screened from view. Service areas, storage piles, compost piles and facilities for hanging, drying or airing clothing or household fabrics shall be appropriately screened from view. No lumber, grass, shrub or tree clippings or plant waste, metals, bulk materials or scrap or refuse or trash shall be kept, stored or allowed to accumulate on any Unit except within an enclosed structure or when appropriately screened from view. No vehicles shall be allowed on any Unit or on the Common Areas unless licensed and in operating condition. No major construction, repair or restoration work on any motor vehicle, boat, trailer, aircraft, or other vehicle shall be conducted within the Property. No minor mechanical work shall be performed on any vehicle except in an enclosed structure.

Section 11. No Further Subdividing

No Unit or Common Areas may be further subdivided, nor may any easement or other interest therein less than the whole be conveyed by the Owner thereof without the prior written approval of the Association; provided, however, that nothing herein shall be deemed to prevent or require the approval of the Association for the transfer or sale of any Unit or Condominium to more than one person to be held by them as tenants in common, joint tenants, or otherwise.

Section 12. Signs

Other than as specifically set forth herein, no sign of any kind shall be displayed to the public view without the approval of the Association. However, signs not greater in size than three (3) feet by two (2) feet may be displayed outside of a Unit advertising a Unit or

advertising a Unit or Condominium for sale or lease. No signs in the yard or grounds of a Unit, or in any portion of Common Area or Limited Common Area are allowed. A residential identification sign is permitted but should not exceed one (1) square foot in surface area. No other external sign of any kind shall be displayed to the public view without the approval of the Association.

Section 13. No Hazardous Activities

No activities shall be conducted on the Property and no improvements constructed on the Property which are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms shall be discharged upon the Property and no open fires nor incinerators shall be lighted or permitted on the Property except in a contained barbecue unit while attended and in use for cooking purposes or within a safe and well-designed interior fireplace.

Section 14. Repair of Buildings

No improvement upon the Property shall be permitted to fall into disrepair, and each such improvement shall at all times be kept in good condition and repair and adequately painted or otherwise finished by the Owner thereof or the Association as applicable.

Section 15. Improvements and Alterations

There shall be no excavation, construction or alteration which in any way alters the exterior appearance of any improvement within the Property nor removal of any Condominium or other improvement within the Property (other than repairs or rebuilding) without the prior written approval of the Association.

Section 16. Rooftop Antennas

No television, ham radio, citizens band or radio antenna, satellite receiving or other similar electronic receiving or sending device shall be permitted upon the rooftop or side of any unit or elsewhere if exposed to view from any other Unit. Such antennas, if used, must be of the type that are installed within the natural building structure. Notwithstanding the foregoing, one eighteen inch (18") or smaller "minidish" satellite dish receiver may be installed on the exterior of a Unit. The Unit Owner shall obtain prior approval from the Board with respect to the location and placement of any such satellite dish. Approval of such location and placement shall be within the sole discretion of the Board. No Unit shall have more than one 18" satellite dish servicing the Unit. In no case will any such receiving or sending antenna or other device be allowed to interfere with the peace and quiet enjoyment of any neighboring Unit Owner's premises or home entertainment facilities or equipment.

Section 17. Architectural Control

No building, fence, wall or other structure shall be commenced, erected or maintained upon the Property, nor shall any exterior addition to or change or alteration therein be made unless and until the plans and specifications showing the color, nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing by the Board.

Section 18. Parking Restrictions

No Owner shall park, store or keep any vehicle except wholly within the parking area designated therefore. Designated parking areas are as follows: (1) Garage, (2) Driveway, (3) Visitor parking areas, (4) street from April 1st to October 31st, except when winter conditions exist; when winter parking rules made by the Board will apply. Due to safety concerns, no parking will be allowed on corners, turns, any curving section of roadway, sidewalks or red designated "No Parking" zones. No parking of motor vehicles or trailers on any street within the Development from November 1 through March 31. Any vehicle parked on the street or in visitor parking areas, not displaying the appropriate parking pass, may be towed at the owners expense.

Section 19. Animal Restrictions

No animals of any kind, including, but not limited to, livestock, reptiles or poultry, shall be raised, bred or kept on any Unit or Common Area, except that one usual and ordinary dog or cat, fish, birds and other household pets may be kept in any Unit, subject to rules and regulations adopted by the Board, provided they are not kept, bred or maintained for commercial purposes. The Board shall have the right to prohibit any animal which, in the opinion of the Board, constitutes a nuisance to any other Owner. No animal may be allowed outside of any Unit unless within fenced and gated Limited Common Area used exclusively by that Unit or on a leash being held by a person capable of controlling the animal. No Owner may construct any fence in any portion of the Common Area. Each Owner shall be personally and absolutely liable to all other Owners, their family members, guests, tenants and invitees for any damage caused by any animal brought or kept upon the Property by any Owner, or by members of his family, his tenants, guests or invitees, and each Owner shall be responsible to clean up after any such animal which has used any portion of the Common Areas. No animal shall be chained, tied, or otherwise restrained outside of the Owner's Unit.

Section 20. General Obligations

Each Owner shall enjoy and be subject to all rights and duties assigned to Owners pursuant to this Declaration, as amended.

ARTICLE ELEVEN

Mortgagee Protection

Section 1. Notice of Action

Upon written request made to the Association by a First Mortgagee, or an insurer or governmental guarantor of a First Mortgage, which written request shall identify the name and address of such First Mortgagee, insurer or governmental guarantor and Unit number or address of the Condominium, any such First Mortgage, insurer or governmental guarantor shall be entitled to timely written notice of:

- A. Any condemnation loss or any casualty loss which affects a material portion of the Project or any Unit on which there is a First Mortgage held, insured or guaranteed by such First Mortgagee, insurer or governmental guarantor;

B. Any delinquency in the payment of assessments or charges owed by an Owner, whose Unit is subject to a First Mortgage held, insured or guaranteed by such First Mortgagee, insurer or governmental guarantor, which default remains uncured for a period of sixty (60) days;

C. Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and

D. Any proposed action which would require the consent of a specified percentage of Eligible Mortgagees as specified in Section 2 below or elsewhere herein.

Section 2. Matters Requiring Prior Eligible Mortgagee Approval

Except as provided elsewhere in this Declaration, the prior written consent of Owners entitled to vote at least sixty- seven percent (67%) of the votes of the Units in the Association (unless pursuant to a specific provision of this Declaration the consent of Owners entitled to vote a greater percentage of the votes in the Association is required, in which case such specific provisions shall control), and Eligible Mortgagees holding First Mortgages on Units having at least fifty-one percent (51 %) of the votes of the Units subject to First Mortgages held by Eligible Mortgagees shall be required to:

A. Abandon or terminate the legal status of the Project after substantial destruction or condemnation occurs.

B. Add or amend any material provision of the Declaration, Articles, Bylaws or Plat, which establishes, provides for, governs or regulates any of the following (an addition or amendment to such documents shall not be considered material if it is for the purpose of correcting technical errors or for clarification only):

- (i) voting rights;
- (ii) increases in assessments that raise the previously assessed amount by more than 25% , assessment liens, or the priority of assessment liens;
- (iii) reductions in reserves for maintenance, repair, and replacement of Common Areas;
- (iv) responsibility for maintenance and repairs;
- (v) reallocation of interests in the Common Areas, or rights to their use;
- (vi) redefinition of any Unit boundaries;
- (vii) convertibility of Units into Common Areas or vice versa;

- (viii) expansion or contraction of the Project, or the addition, annexation, or withdrawal of property to or from the Project;
- (ix) hazard or fidelity insurance requirements;
- (x) imposition of any restrictions on the leasing of Units and Condominiums;
- (xi) imposition of any restrictions on Owner's right to sell or transfer his or her Unit or Condominium;
- (xii) a decision by the Association to establish self-management if professional management had been required previously by the Declaration or by an Eligible Mortgagee.
- (xiii) restoration or repair of the Project (after damage or partial condemnation) in a manner other than that specified in the Declaration; or
- (xiv) any provisions that expressly benefit Mortgagees, insurers, or guarantors.

Any Mortgagee, insurer or governmental guarantor who receives a written request from the Association to approve additions or amendments to the constituent documents and who fails to deliver or post to the Association a negative response within thirty (30) days shall be deemed to have approved such request, provided the written request was delivered by certified or registered mail, with a "return receipt" requested.

Section 3. Availability of Project Documents and Financial Statements

The Association shall maintain and have current copies of the Declaration, Articles, Bylaws, and other rules concerning the Project as well as its own books, records, and financial statements available for inspection by Owners or by holders, insurers, and guarantors of First Mortgages that are secured by Units in the Project. Generally, these documents shall be available upon 24 hours written notice during normal business hours, at the expense of the requesting party. The Association shall make an audited financial statement for the preceding fiscal year (if the Project has been established for a full fiscal year) available to the holder, insurer, or guarantor of any First Mortgage on submission of a written request for it. The audited financial statement shall be made available within 120 days of the Association's fiscal year-end, at the expense of the requesting party.

Section 4. Subordination of Lien

The lien or claim against a Unit for unpaid assessments or charges levied by the Association pursuant to this Declaration shall be subordinate to the First Mortgage affecting such Unit if the First Mortgage was recorded before the delinquent assessment was due, and the First Mortgagee thereunder which comes into possession of or which obtains title to the Unit shall take the same free of such lien or claim for unpaid assessment or charges, but only

to the extent of assessments or charges which accrue prior to foreclosure of the First Mortgage, exercise of a power of sale available thereunder, or taking of a deed or assignment in lieu of foreclosure. No assessment, charge, lien, or claim which is described in the preceding sentence as being subordinate to a First Mortgage or as not to burden a First Mortgagee which comes into possession or which obtains title shall be collected or enforced by the Association from or against a First Mortgagee, a successor in title to a First Mortgagee, or the Unit affected or previously affected by the First Mortgage concerned.

Section 5. Payment of Taxes

In the event any taxes or other charges which may or have become a lien on the Common Areas are not timely paid, or in the event the required hazard insurance described in paragraph A of Section 4 of Article Six lapses, is not maintained, or the premiums therefore are not paid when due, any Mortgagee or any combination of Mortgagees may jointly or singly, pay such taxes or premiums or secure such insurance. Any Mortgagee which expends funds for any of such purposes shall be entitled to immediate reimbursement therefor from the Association.

Section 6. Priority

No provision of this Declaration, as amended, or the Articles, gives or may give an Owner or any other party priority over any rights of Mortgagees pursuant to their respective Mortgages in the case of a distribution to Owners of insurance proceeds or condemnation awards for loss to or taking of all or any part of the Units or the Common Areas.

ARTICLE TWELVE

Miscellaneous

Section 1. Notices

Any notice required or permitted to be given to any Owner under the provisions of this Declaration shall be deemed to have been properly furnished as of the date it is hand-delivered to the Unit or as of that date which is two (2) days after it is deposited with the U.S. Postal Service if mailed postage prepaid to the person who appears as an Owner, at the latest address for such person, appearing in the records of the Association at the time of mailing, whichever is earlier.

Section 2. Term Fourth

This ~~Second~~ Amended Declaration shall be effective upon the date of recordation hereof and, as amended from time to time, shall continue in full force and effect for a term of forty (40) years from the date this Second Amended Declaration is recorded. From and after said date, this Declaration, as amended, shall be automatically extended for successive periods of ten (10) years each, unless there is an affirmative vote to terminate this Declaration by seventy-five percent (75%) of the votes of the Members cast at an election held for such purpose or otherwise approved in writing by such Members within six (6) months prior to the expiration of the initial effective period hereof or any ten (10) year extension.

Section 3. Amendment

Except as provided elsewhere in this Declaration, any amendment to this Declaration shall require the affirmative vote or written approval of at least sixty-seven percent (67%) of the total votes of the Association. Any amendment authorized pursuant to this Section shall be accomplished through the recordation in the office of the Davis County Recorder of an instrument executed by the Association. In such instrument an officer or Trustee of the Association shall certify that the vote required by this Section for amendment has occurred.

Section 4. Enforcement

The Association may enforce this Declaration, the Articles of Incorporation and the Bylaws as follows:

A. Breach of any of the covenants contained in the Declaration or the Bylaws and the continuation of any such breach may be enjoined, abated or remedied by appropriate legal proceedings by an Owner, by the Association or the successor in interest of the Association. Any judgment rendered in any action or proceeding pursuant hereto shall include a sum for attorney's fees in an amount as the Court may deem reasonable, in favor of the prevailing party, as well as the amount of any delinquent payment, interest thereon, costs of collection and Court costs. Except in the case of emergencies, as a prerequisite to remedy entitlement, the Association or aggrieved Owner shall provide the other Owner or other individual against whom a claim is made with a written Notice of Default, stating with particularity the nature of the default. The defaulting Owner shall thereafter have ten (10) days from the date of receipt of the Notice of Default to cure said default, or in the event such default cannot be reasonably cured within such ten (10) day period, said defaulting Owner shall have ten (10) days to take substantial and material steps in curing said default, and shall diligently and continuously pursue such cure efforts until such default is fully remedied. In the event the default has not been cured, or a diligent effort has not been made to cure said default within ten (10) days from the receipt of the Notice of Default as set forth above, the non-defaulting Owner or Association shall be entitled to recover from the defaulting Owner fifty dollars (\$50.00) per day for each day the default remains uncured, which damages shall be in addition to all other rights and remedies set forth in this Declaration.

B. The result of every act or omission whereby any of the covenants contained in this Declaration or the Bylaws are violated in whole or in part is hereby declared to be and constitutes a nuisance, and every remedy allowed by law or equity against a nuisance, either public or private, shall be applicable against every such result and may be exercised by any Owner, by the Association or its successors in interest.

C. The remedies herein provided for breach of the covenants contained in this Declaration or in the Bylaws shall be deemed cumulative and none of such remedies shall be deemed exclusive.

D. The failure of the Association to enforce any of the covenants contained in this Declaration or in the Bylaws shall not constitute a waiver of the right to enforce the same thereafter.

E. A breach of the covenants, conditions or restrictions contained in this Declaration or in the Bylaws shall not affect or impair the lien or charge of any bona fide first mortgage or Deed of Trust made in good faith and for value, provided, however, that any subsequent Owner of such property shall be bound by said covenants, whether such Owner's title was acquired by foreclosure in a Trustee's Sale or otherwise.

Section 5. Interpretation

The captions which precede the Articles and Sections of this Declaration are for convenience only and in no way affect the manner in which any provision hereof is construed. Whenever the context so requires, the singular shall include the plural, the plural shall include the singular, the whole shall include any part thereof, and any gender shall include both other genders. The invalidity or unenforceability of any portion of this Declaration shall not affect the validity or enforceability of the remainder thereof. This Declaration shall be liberally construed to effect all of its purposes.

Section 6. Covenants to Run With Land

This Declaration and all of the provisions hereof shall constitute covenants to run with the land or equitable servitudes, as the case may be, and shall be binding upon and shall inure to the benefit of Declarant, all parties who hereafter acquire any interest in a Unit or in the Common Areas, and their respective grantees, transferees, heirs, devisees, personal representatives, successors and assigns. Each Owner or occupant of a Unit or Condominium shall comply with, and all interests in all Units or in the Common Areas shall be subject to, the terms of this Declaration and the provisions of any rules, regulations, agreements, instruments and determinations contemplated by this Declaration. By acquiring any interest in a Unit or in the Common Areas, the party acquiring such interest consents to, and agrees to be bound by, each and every provision of this Declaration.

Section 7. Lists of Owners and Eligible Mortgagees

The Board shall maintain up-to-date records showing: (i) the name of each person who is an Owner, the address of such person, and the Unit which is owned by him; and (ii) the name of each person or entity who is an Eligible Mortgagee, the address of such person or entity and the Unit which is encumbered by the Mortgage held by such person or entity. In the event of any transfer of a fee or undivided fee interest in a Unit, either the transferor or transferee shall furnish the Board with evidence establishing that the transfer has occurred and that the Deed or other instrument accomplishing the transfer is of record in the office of the County Recorder of Davis County, Utah. The Board may for all purposes act and rely on the information concerning Owners and Unit ownership which is thus acquired by it or, at its option, the Board may act and rely on current ownership information respecting any Unit or Units which is obtained from the office of the County Recorder of Davis County, Utah. The address of an Owner shall be deemed to be the address of the Unit owned by such person unless the Board is otherwise advised in writing.

Section 8. Effective Date Fourth

This ~~Second~~ Amended Declaration and any amendment or supplement hereto shall take effect upon its being filed for record in the office of the County Recorder of Davis County, Utah.

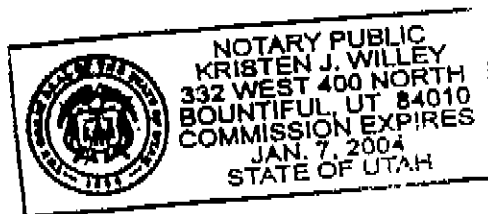
PARK SHADOWS OWNERS ASSOCIATION, INC.,
A Utah Non-Profit Corporation

By: Jinda K. Nielsen
Its: Trustee

STATE OF UTAH)
 :ss.
COUNTY OF DAVIS)

On this 23 day of April 2001, personally appeared before me, _____, who, being by me duly sworn, did say that (s)he is the person whose name is subscribed to the foregoing instrument and acknowledged to me that (s)he executed the same in his/her authorized capacity as Trustee of Park Shadows Owners Association, Inc., and that said ~~SECOND~~ **AMENDED AND RESTATED** FOURTH
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AND RESERVATION OF EASEMENTS OF PARK SHADOWS CONDOMINIUMS was approved by the affirmative vote or written approval of at least sixty-seven percent (67%) of the total votes of the association, at a regular or special meeting called for the purpose of approving said amendment, pursuant to the rules and procedures established under the Declaration, the Bylaws, and all other relevant and effective procedures.

[SEAL] Kristen J. Willey
Notary Public



Declarant Acknowledgement:

FOURTH

This ~~SECOND~~ **AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AND RESERVATION OF EASEMENTS OF PARK SHADOWS CONDOMINIUMS** is hereby approved by the Declarant.

Declarant:

PARK SHADOWS, L.C.

Stanley M. Smoot

By: Stanley M. Smoot

Its: Manager

STATE OF UTAH)

:ss.

COUNTY OF DAVIS)

On this 3rd day of December 2001, personally appeared before me, Stanley M. Smoot, who, being by me duly sworn, did say that he is the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same in his/her authorized capacity as Manager of Park Shadows, L.C.

[SEAL]

Diane Rossi

Notary Public

