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RETURN TO
MORRIS SPERRY
7070 S. UNION PARK CENTER
SUITE 220
MIDVALE, UT 84047

AMENDED AND RESTATED
DECLARATION OF COVENANTS,
CONDITIONS, AND RESTRICTIONS

FOR

ASPEN SPRINGS
CONDOMINIUMS

A UTAH CONDOMINIUM PROJECT

IN

SALT LAKE COUNTY, UTAH

TABLE OF CONTENTS

RECITALS 1

ARTICLE 1: DEFINITIONS 4

1.1 Act 4

1.2 Articles 4

1.3 Assessment 4

1.4 Association 4

1.5 Balcony 4

1.6 Building 4

1.7 Bylaws 4

1.8 Board Member 4

1.9 Board of Directors or Board 5

1.10 Common Area 5

1.11 Common Expenses 5

1.12 Declaration 6

1.13 Governing Documents 6

1.14 Lender 6

1.15 Limited Common Area 6

1.16 Manager 6

1.17 Occupant 6

1.18 Owner 6

1.19 Person 7

1.20 Plat 7

1.21 Project 7

1.22 Property 7

1.23 Rules 7

1.24 Terms and Conditions 7

1.25 Undivided Interest 7

1.26 Unit 7

ARTICLE 2: THE PROJECT 7

2.1 Submission to the Act 7

2.2 Binding Effects of Governing Documents 7

2.3 Project Name 8

2.4 Nature of the Project 8

2.5 Identification of Units 8

2.6 Registered Agent 8

ARTICLE 3: DESCRIPTION OF THE UNITS, LIMITED COMMON AREA,
AND UNDIVIDED INTERESTS 8

3.1 The Unit 8

3.2 Limited Common Area 10

3.3 Undivided Interest of Each Unit in the Votes of the Association 11

3.4 Plat	11
ARTICLE 4: MAINTENANCE, REMODELING, AND UTILITIES	11
4.1 Owner Responsibility	11
4.2 Association Responsibility	12
4.3 Remodeling, Maintenance, and Repair of Units	14
4.4 Default Maintenance	15
4.5 Utilities.....	15
ARTICLE 5: ORGANIZATION AND GOVERNANCE OF THE ASSOCIATION	16
5.1 Organization of Association	16
5.2 Modifying or Changing the Name of the Project	16
5.3 Legal Organization	16
5.4 Membership	16
5.5 Availability of Documents.....	16
5.6 Board of Directors	16
5.7 Reasonable Ongoing Requirements for Board Members	17
5.8 Limitation on Authority of Owners, Board Members, Officers & Board	17
5.9 No Estoppel or Reliance on Actions or Authorizations Contrary to Governing Documents	17
5.10 Registration with the State	17
ARTICLE 6: GENERAL RIGHTS AND RESPONSIBILITIES OF THE ASSOCIATION	18
6.1 Rights and Responsibilities of the Association	18
(a) Paying Expenses	18
(b) Setting and Collecting Assessments	18
(c) Entering Units	18
(d) Adopting and Enforcing Rules	18
(e) Hiring Managers and Delegating Responsibilities	18
(f) Other Necessary Rights	19
(g) Enforcement Rights	19
(h) Enforcement	19
(i) Reserve Fund	19
(j) Preventing Conflicts of Interests with Service Providers and Vendors	19
(k) Establishing Hearing Procedures	19
(l) Annual Meetings	20
(m) Payoff Information Fees	20
(n) Bulk Service Agreements	20
(o) Review and Audit of Association Finances	20
ARTICLE 7: BUDGETS & ASSESSMENTS	20
7.1 Purpose of Assessments	20
7.2 Budget and Regular Assessment	20
7.3 Payment of Regular Assessments	21

7.4 Adjustments to Regular Assessments	21
7.5 Personal Obligation for Assessment	21
7.6 Improvements	21
7.7 Allocation of Assessments	22
7.8 Rules Regarding Billing and Collection Procedures	22
7.9 Certificate of Payment	22
7.10 Special Assessments	22
7.11 Special Assessments to Individual Units	22
7.12 Acceptance of Material Services	23
7.13 Application of Excess Assessments	23
7.14 No Offsets	23
7.15 How Payments are Applied	23
7.16 Loans	23
ARTICLE 8: NONPAYMENT OF ASSESSMENTS & JOINT AND SEVERAL LIABILITY OF OWNERS FOR ALL PAST UNPAID ASSESSMENTS	23
8.1 Delinquency	23
8.2 Collection Charges and Interest	24
8.3 Joint and Several Liability of Owner and Future Owners for All Past and Presently Accruing Unpaid Assessments	24
8.4 Lien	24
8.5 Action at Law	24
8.6 Foreclosure Sale	25
8.7 Homestead Waiver	25
8.8 Termination of Delinquent Owner's Rights	25
8.9 Requiring Tenant to Pay Rent to Association	25
8.10 Attorneys' Fees Incurred As a Result of a Default	25
8.11 Association Foreclosure	26
ARTICLE 9: PROPERTY RIGHTS IN UNITS AND COMMON AREA	26
9.1 General Easements to Common Area and Units	26
9.2 Public Utilities	26
9.3 Easements for Encroachments	27
9.4 Limitation on Easement—Suspension of Owner's Rights	27
9.5 Views	28
ARTICLE 10: USE LIMITATIONS AND CONDITIONS	28
10.1 Rules	28
10.2 Signs	28
10.3 Nuisance	28
10.4 Smoking	28
10.5 Temporary Structures	28
10.6 Parking	29
10.7 External Fixtures	29

10.8 Window Covers	29
10.9 External Laundering	29
10.10 Outside Speakers and Amplifiers	29
10.11 Repairs	30
10.12 Unsightly Items	30
10.13 Animals	30
10.14 Landscape Maintenance	30
10.15 Floor Load	30
10.16 Residential Occupancy	31
10.17 No Subdivision or Timeshare of Units or Recording by Owners of Terms ... and Conditions	31
10.18 Architectural Control	32
10.19 Lighting	32
10.20 Variances	32
10.21 Hazardous Substances	33
 ARTICLE 11: INSURANCE	 33
11.1 Insurance Requirements	33
11.2 Annual Insurance Report	34
11.3 Property Insurance	34
11.4 Comprehensive General Liability (CGL) Insurance	37
11.5 Director's and Officer's Insurance	38
11.6 Insurance Coverage for Theft and Embezzlement of Association Funds	38
11.7 Workers' Compensation Insurance	38
11.8 Certificates	38
11.9 Named Insured	38
11.10 Association's Right to Negotiate All Claims and Losses and Receive Proceeds	38
11.11 Insurance Trustee	39
11.12 Owner Act Cannot Void Coverage Under Any Policy	39
11.13 Waiver of Subrogation against Owners and the Association	39
11.14 Right of Action	39
11.15 Applicable Law	39
 ARTICLE 12: DESTRUCTION OF IMPROVEMENTS	 40
12.1 Reconstruction	40
12.2 Insurance Proceeds Sufficient for Reconstruction	40
12.3 Insurance Proceeds Insufficient for Reconstruction	40
 ARTICLE 13: EMINENT DOMAIN	 41
13.1 Total Taking of a Unit	42
13.2 Partial Taking of a Unit	42
13.3 Taking of a Limited Common Area	42
13.4 Taking of a Common Area	42
13.5 Taking of Entire Project	42
13.6 Priority and Power of Attorney	42

ARTICLE 14: TERMINATION	43
14.1 Required Vote	43
14.2 Termination Agreement	43
14.3 Sale of Project	43
14.4 Association Duties	43
14.5 Proceeds of Sale	43
14.6 Allocation upon Termination	44
ARTICLE 15: AMENDMENTS	44
15.1 General Amendment Requirements	44
15.2 Scope of Amendments	44
15.3 Execution and Effective Date of Amendments	44
15.4 Change to Plat or Boundaries of the Association	44
15.5 Amendment to Conform to Law	45
15.6 Consent of Two-Thirds Owners to alter Undivided Interests	46
ARTICLE 16: INTERPRETATION, CONSTRUCTION, AND APPLICATION OF DECLARATION	46
16.1 No Waiver	46
16.2 Conflicting Provisions	46
16.3 Interpretation of Declaration and Applicability of the Act	46
16.4 Cumulative Remedies	46
16.5 Severability	46
16.6 Construction	46
16.7 Applicable Law	47
16.8 Gender and Number	47
16.9 Effect of Declaration	47
ARTICLE 17: NOTICE	47
17.1 Notices	47
(a) Notice to an Owner from the Association	47
(b) Special Notice Prior to Association Entry into a Unit	48
(c) Notice to a Lender	49
(d) Notice to Association from an Owner	49
ARTICLE 18: ATTORNEYS' FEES AND COSTS	50
18.1 Legal Costs Associated with Disputes with Owners	50
ARTICLE 19: RESERVES	50
19.1 Requirement for Reserves	50
ARTICLE 20: LEASING AND NON-OWNER OCCUPANCY	51
20.1 Declaration and Rules Govern Non-Owner Occupancy	51
20.2 Definitions	51
20.3 Units Permitted to be Non-Owner Occupied	52

20.4 Permitted Rules	52
20.5 Requirements for Leasing and Non-Owner Occupancy	52
20.7 Exceptions for Family Members	53
ARTICLE 21: GENERAL PROVISIONS	53
21.1 Enforcement	53
21.2 Nonliability of Officials	53
21.3 Use of Funds Collected by the Association	53
21.4 Owner Liability and Indemnification	54
21.5 Consent, Power of Attorney, Waiver	54
21.6 Security	54
21.7 Reasonable Accommodations	55
21.8 No Representations and Warranties	55

AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR

Aspen Springs Condominiums

This Declaration is recorded by the Aspen Springs Condominiums Association, upon its approval by the Owners, and is effective as of the date it is recorded in the office of the Salt Lake County Recorder.

RECITALS

1. Capitalized terms in this Declaration are defined in Article 1 or in other sections of this Declaration.
2. The "Aspen Springs Condominiums Final Plat of Phase 1" was recorded on May 1, 2001 at the office of the Salt Lake County Recorder beginning at Book 2001P, Page 97, and as Entry No. 7884384.
3. The "Declaration of Condominium of Aspen Springs Condominiums" was recorded on May 1, 2001 at the office of the Salt Lake County Recorder beginning at Book 8452, Page 3667, and as Entry No. 7884385 ("the Enabling Declaration").
4. The "Aspen Springs Condominiums Final Plat of Phase 2" was recorded on July 25, 2001 at the office of the Salt Lake County Recorder beginning at Book 2001P, Page 201, and as Entry No. 7956319.
5. The "Amendment No. One for Expansion of Aspen Springs Condominiums" was recorded on July 25, 2001, at the office of the Salt Lake County Recorder beginning at Book 8482, Page 381, and as Entry No. 7956320.
6. The "Aspen Springs Condominiums Final Plat of Phase 3" was recorded on September 18, 2001 at the office of the Salt Lake County Recorder beginning at Book 2001P, Page 266, and as Entry No. 8006089.
7. The "Amendment No. Two for Expansion of Aspen Springs Condominiums" was recorded on September 18, 2001, at the office of the Salt Lake County Recorder beginning at Book 8501, Page 3711, and as Entry No. 8006090.
8. The "Aspen Springs Condominiums Final Plat of Phase 4" was recorded on December 4, 2001 at the office of the Salt Lake County Recorder beginning at Book 2001P, Page 362, and as Entry No. 8079988.
9. The "Amendment No. Three for Expansion of Aspen Springs Condominiums" was recorded on December 4, 2001, at the office of the Salt Lake County Recorder beginning at Book 8536, Page 561, and as Entry No. 8079989.

10. The "Aspen Springs Condominiums Final Plat of Phase 5" was recorded on January 29, 2002 at the office of the Salt Lake County Recorder beginning at Book 2002P, Page 26, and as Entry No. 8133388.
11. The "Amendment No. Four for Expansion of Aspen Springs Condominiums" was recorded on January 29, 2002, at the office of the Salt Lake County Recorder beginning at Book 8559, Page 4490, and as Entry No. 8133389.
12. The "Aspen Springs Condominiums Final Plat of Phase 6" was recorded on February 26, 2002 at the office of the Salt Lake County Recorder beginning at Book 2001P, Page 46, and as Entry No. 8160935.
13. The "Amendment No. Five for Expansion of Aspen Springs Condominiums" was recorded on February 26, 2002, at the office of the Salt Lake County Recorder beginning at Book 8570, Page 1722, and as Entry No. 8160936.
14. The "Aspen Springs Condominiums Final Plat of Phase 7" was recorded on May 10, 2002 at the office of the Salt Lake County Recorder beginning at Book 2002P, Page 105, and as Entry No. 8228933.
15. The "Amendment No. Six for Expansion of Aspen Springs Condominiums" was recorded on May 10, 2002, at the office of the Salt Lake County Recorder beginning at Book 8596, Page 5832, and as Entry No. 8228934.
16. The "Aspen Springs Condominiums Final Plat of Phase 8" was recorded on September 23, 2002 at the office of the Salt Lake County Recorder beginning at Book 2002P, Page 261, and as Entry No. 8361538.
17. The "Amendment No. Seven for Expansion of Aspen Springs Condominiums" was recorded on September 23, 2002, at the office of the Salt Lake County Recorder beginning at Book 8652, Page 1701, and as Entry No. 8361539.
18. The "Aspen Springs Condominiums Final Plat of Phase 9" was recorded on March 20, 2003 at the office of the Salt Lake County Recorder beginning at Book 2003P, Page 68, and as Entry No. 8574435.
19. The "Amendment No. Eight for Expansion of Aspen Springs Condominiums" was recorded on March 20, 2003, at the office of the Salt Lake County Recorder beginning at Book 8759, Page 2609, and as Entry No. 8574436.
20. The "Supplement to Amendment No. Eight for Expansion of Aspen Springs Condominiums" was recorded on October 30, 2003, at the office of the Salt Lake County Recorder beginning at Book 8903, Page 6724, and as Entry No. 8872696.

21. The "Aspen Springs Condominiums Final Plat of Phase 10" was recorded on November 21, 2003 at the office of the Salt Lake County Recorder beginning at Book 2003P, Page 365, and as Entry No. 8902073.
22. The "Amendment No. Nine for Expansion of Aspen Springs Condominiums" was recorded on November 21, 2003, at the office of the Salt Lake County Recorder beginning at Book 8914, Page 4715, and as Entry No. 8902074.
23. The "Aspen Springs Condominiums Final Plat of Phase 11" was recorded on November 22, 2004 at the office of the Salt Lake County Recorder beginning at Book 2004P, Page 274, and as Entry No. 9178882.
24. The "Amendment No. Ten for Expansion of Aspen Springs Condominiums" was recorded on September 22, 2004, at the office of the Salt Lake County Recorder beginning at Book 9040, Page 268, and as Entry No. 9178883.
25. The "Aspen Springs Condominiums Final Plat of Phase 12" was recorded on December 13, 2004 at the office of the Salt Lake County Recorder beginning at Book 2004P, Page 371, and as Entry No. 9247775.
26. The "Amendment No. Eleven for Expansion of Aspen Springs Condominiums" was recorded on December 13, 2004, at the office of the Salt Lake County Recorder beginning at Book 9071, Page 9331, and as Entry No. 9247776.
27. The "Aspen Springs Condominiums Final Plat of Phase 13" was recorded on November 14, 2004 at the office of the Salt Lake County Recorder beginning at Book 2004P, Page 373, and as Entry No. 9248960.
28. The "Amendment No. Twelve for Expansion of Aspen Springs Condominiums" was recorded on December 14, 2004, at the office of the Salt Lake County Recorder beginning at Book 9072, Page 4522, and as Entry No. 9248961.
29. The Association, with the authority and approval of the Owners, hereby adopt this Amended and Restated Declaration (the "Declaration), which (along with and subject to any future amendments) shall be the sole Declaration for the Project and which shall amend and completely replace the Enabling Declaration and all prior declarations and amendments thereto (whether recorded or not, properly adopted or not, or referenced in this Declaration or not), prior to the date of the recording of this Declaration.
30. This Declaration is adopted to replace and update the terms of the Enabling Declaration and any amendments thereto, to further define the rights of the Association and the Owners, and to provide for a general plan for managing the Project; all in furtherance of the Association's efforts to efficiently and economically protect and enhance the value of the Units and the Project and to create a superior living environment.

31. All rights of the declarant defined in the Enabling Declaration have expired pursuant to the terms of the Enabling Declaration and Utah Code Ann. § 57-8-16.5. No declarant approval is required for this amendment.
32. The Association and Owners hereby desire to establish the Terms and Conditions for the mutual benefit and burden of the Association, and all current and future Owners, Occupants, Lenders, and others acquiring any interest in the Project.
33. The Board of Directors has obtained the approval of the Owners necessary to adopt and record this Declaration and the attached Exhibits.

NOW, THEREFORE, for the reasons recited above the Association hereby adopts this Declaration.

ARTICLE 1 DEFINITIONS

As used herein, unless the context otherwise requires:

- 1.1 “Act” shall mean the Condominium Ownership Act codified beginning at Section 57-8-1, Utah Code Annotated, in effect on the date this Declaration is recorded with the Salt Lake County Recorder.
- 1.2 “Articles” shall mean the Articles of Incorporation or the chartering document of any other legal entity, if any shall be formed for the Association.
- 1.3 “Assessment” shall mean any monetary charge imposed or assessed on an Owner by the Association as provided for in this Declaration or the Act.
- 1.4 “Association” shall refer to Aspen Springs Condominiums Association, the membership of which shall include each Owner in the Project. The Association may be incorporated as a nonprofit corporation. If the Owners are ever organized as another type of entity or if the Owners act as a group without legal organization, the term “Association” as used in this Declaration shall refer to that entity or group.
- 1.5 “Balcony” shall refer to any balcony, patio, or deck associated with any Unit.
- 1.6 “Building” or “Buildings” shall mean the building(s) containing the Units in the Project.
- 1.7 “Bylaws” shall mean the bylaws of the Association attached as Exhibit C and all valid amendments and supplements thereto. No amendment to the Bylaws shall be effective until it is recorded.
- 1.8 “Board Member” shall mean a duly qualified and elected or appointed member of the Board of Directors.

- 1.9 “Board of Directors” or “Board” shall mean the body of elected or appointed people with primary authority to manage the affairs of the Association, including the responsibility and authority to make and enforce all of the reasonable rules covering the operations and maintenance of the Project.
- 1.10 “Common Area” shall, unless otherwise more specifically provided in this Declaration, mean everything and everywhere in the Project, except to the extent any fixture, structure, or other area is part of a Unit as defined herein. Unless otherwise specifically included or excluded on the Plat or in this Declaration, Common Area includes but is not limited to:
- (a) all real property included within the Project, including any air space or subsurface rights, whether leasehold or in fee simple;
 - (b) all fixtures and equipment related to the provision of electricity, gas, water, television, internet, and electronic services, and the removal of waste water;
 - (c) all apparatus and installations clearly intended and existing for common use including, if any, stairways, roofs, tanks, pumps, ducts, fans, compressors, wiring, and central or common installations and equipment to provide power, light, water, heating, air conditioning, and garbage disposal;
 - (d) all Limited Common Areas;
 - (e) all windows and window frames on the exterior of the Building, including those on the exterior boundary of Units.
 - (f) As applicable, all foundations, columns, girders, beams, supports, main walls, roofs, halls, corridors, lobbies, stairs, stairways, fire escapes, entrances, and exits of any buildings in the Project.
 - (g) all roadways and parking areas in the Project that are not otherwise specifically dedicated to a governmental body or by other means specifically excluded from the Project in the Plat or Declaration;
 - (h) the clubhouse and pool area; and
 - (i) all other parts of the Project necessary or convenient to its existence, maintenance, safe operations, or normally in common use.

The definition of Common Area in this Declaration shall supersede the definition of “Common Area and Facilities” in the Act and shall apply in all instances when the term “Common Areas and Facilities” is used in the Act.

- 1.11 “Common Expenses” shall mean (1) all sums lawfully assessed against all of the Owners; (2) expense of administration, maintenance, repair, or replacement of the Common Areas;

and (3) the costs for: (a) maintenance, repair, and replacement of those aspects of the Units which are maintained by the Association as provided for in this Declaration (if any); (b) management and administration of the Association, including, but not limited to, compensation paid by the Association to managers, accountants, attorneys, consultants, and employees; (c) utilities (other than utilities that are separately metered and charged to the Units), extermination, landscape maintenance, and other related services; (d) insurance and bonds required or allowed by this Declaration; (e) amounts deposited in reserves; (f) other charges incurred by the Association as provided for or allowed in the Act or the Governing Documents; and (g) any other expenses of the Association arising from the operation of the Association and not otherwise excluded from Common Expenses by the Governing Documents or any applicable law.

- 1.12 “Declaration” shall mean this Declaration, including all attached exhibits, which, other than the Bylaws, are hereby incorporated by reference into the Declaration and shall be part of the Declaration, and any and all amendments to this Declaration.
- 1.13 “Governing Documents” shall refer to this Declaration, the Plat, the Bylaws, the Rules, any Articles, and any other documents or agreements binding upon all of the Owners.
- 1.14 “Lender” shall mean a holder of a mortgage or deed of trust on a Unit.
- 1.15 “Limited Common Area” shall mean a portion of the Common Area specifically designated in this Declaration or the Plat for the exclusive use of Owners of one or more Units to the exclusion of other Owners. Conveyance of a Unit includes the use of the Limited Common Area designated for the use of the Owner of the Unit.
- 1.16 “Manager” shall mean any Person engaged by the Association to manage the Project.
- 1.17 “Occupant” shall mean any Persons, other than an Owner, in possession of, using, entering into, or living in a Unit or the Project, including, without limitation, family members, tenants, guests, and invitees of an Owner or an Occupant. Occupants shall include any trespassers or previously lawful Occupants if the Owner fails to secure the Unit against trespass, fails to take action necessary and appropriate to remove trespassers or previously lawful Occupants immediately upon notice of the trespass or occupancy, or fails to take reasonable measures to become aware of any unauthorized Occupants in the Unit or of any unauthorized entry and use of the Unit (which shall include the duty to verify the physical condition and occupancy of the Unit at least monthly if it is left unoccupied).
- 1.18 “Owner” shall mean the Person or Persons who have record title to a Unit, including those who hold a fee simple interest in the Unit (in whole or in part), according to the records of the County Recorder of Salt Lake County, Utah; however, Owner shall not include a Lender or trustee for a deed of trust.

- 1.19 “Person” shall mean a natural individual, corporation, estate, partnership, trustee, association, joint venture, government, governmental subdivision or agency, or any other legal entity.
- 1.20 “Plat” shall mean the record of survey map or maps of the Project (the “condominium plat” as used in the Act) recorded in the records of the County Recorder of Salt Lake County, Utah and all amendments and supplements thereto. The Plats for the Project were recorded as set forth in the Recitals above.
- 1.21 “Project” shall mean the land, whether leasehold or in fee simple, the Buildings, all improvements and structures thereon, all easements, rights and appurtenances belonging thereto, and all articles of personal property intended for use in connection therewith; as defined by the Plat and this Declaration and including the Units, the Common Area, and the Limited Common Areas. Project as defined in this Declaration is intended to have the same definition as “Property” as defined in the Act.
- 1.22 “Property” shall mean the property legally described in Exhibit A and all easements and rights appurtenant thereto.
- 1.23 “Rules” shall mean and refer to the rules adopted by the Association.
- 1.24 “Terms and Conditions” shall mean any one or all of the terms, covenants, rights, obligations, and restrictions set forth in the Governing Documents.
- 1.25 “Undivided Interest” shall mean the interest of that Owner (expressed as a percentage in Exhibit B to this Declaration) in the Common Areas, which shall be applicable for the purposes of voting, the payment of Common Expenses, and for other purposes indicated in this Declaration or the Act.
- 1.26 “Unit” shall mean and refer to an individual condominium unit, unit, or condominium, (all as defined in the Act), which shall consist of a separate physical part of the property intended for independent use, including one or more rooms or spaces located in one or more floors or part or parts of floors in a building, and which is identified on the Plat. Except where the context specifically requires otherwise, reference to a Unit shall include reference to the Undivided Interest appurtenant to such Unit.

ARTICLE 2 THE PROJECT

- 2.1 Submission to the Act. The Association hereby confirms and restates that the Project is a condominium project as defined in the Act.
- 2.2 Binding Effect of Governing Documents. The Property is part of the Project and the Project and all of the Units shall be held, transferred, mortgaged, encumbered, occupied, used, and improved subject to the Terms and Conditions, which Terms and Conditions shall, to the extent they are included in recorded documents, constitute equitable

servitudes, easements, and covenants and conditions running with the land and shall be binding upon and inure to the benefit of the Association and each Owner, including their respective heirs, executors, administrators, personal representatives, successors and assigns. By acquiring any interest in a Unit such Owner consents to, and agrees to be bound by, each and every Term and Condition in the Governing Documents.

- 2.3 Project Name. The Project is named “Aspen Springs Condominiums” and is located entirely in Salt Lake City, Salt Lake County.
- 2.4 Nature of the Project.
- (a) The Project consists of 20 two-unit Buildings, 40 three-unit Buildings, and private roadways. The Project also consists of a clubhouse and adjacent swimming pool facility and basketball court.
 - (b) The Project contains 160 Units.
- 2.5 Identification of Units. All of the Units are referenced specifically and identified by location on the Plat.
- 2.6 Registered Agent. The registered agent of the Association shall be Advanced Community Services, LLC, at 2940 West Maple Loop Drive, Suite 101, Lehi, Utah 84043. If the registered agent moves or is no longer available as the registered agent of the Association, the registered agent for the Association may be as provided for in entity filings and HOA registration for the Association. The registered agent in this Declaration may be changed by a recorded document solely for the purpose of updating the registered agent information, which may be approved of by the Board without any need for Owner consent.

**ARTICLE 3
DESCRIPTION OF THE UNITS, LIMITED COMMON AREA,
AND UNDIVIDED INTERESTS**

- 3.1 The Unit.
- (a) The distinct Unit number that identifies the Unit on the Plat may or may not be consistent with the mailing address of the Unit.
 - (b) Subject to further specification in this Declaration, each Unit consists of the space enclosed and bounded by the horizontal and vertical planes as shown on the Plat, and all interior partitions and other fixtures and improvements within such boundaries. The horizontal boundaries of each Unit shall be the underside of the finished but unpainted or decorated ceiling of each level of the Unit, and the top of the finished but undecorated floor of each level in the Unit. The vertical boundaries of each Unit shall be the interior of the finished but undecorated walls located on the perimeter lines (boundary) of the respective levels of the Units as

shown on the Plat. All framing, concrete, and other structural components in the walls, floors, or ceilings on the vertical and horizontal boundaries of a Unit (as designated on the Plat) and all framing, structures, and concrete in any bearing walls are part of the Common Area. Generally, all wallboard, dry wall, concrete, and framing in walls, ceilings, and floors on the boundaries of the Unit are not part of the Unit and are Common Area. All materials constituting any part of the finished surfaces or of the decorating in the Unit are part of the Unit. Generally, all paneling, tile, wallpaper, paint, carpet, hardwood flooring, linoleum, and other materials constituting any part of the finished surfaces or installed on the finished surfaces in a Unit are part of the Unit. All parts of exposed concrete structural components in the Building (including the surface) in or on the boundary of a Unit shall be Common Area. All parts of non-bearing walls and partitions inside the boundaries of a Unit (walls not on the exterior boundary of a Unit) are part of the Unit.

- (c) Each wall or ceiling-floor physical boundary which is built as part of the original construction (or reconstruction) of 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 3.1(c), 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 12 shall apply. Notwithstanding any other provision of this Section 3.1(c), an Owner who by negligent or willful act causes a Party Wall to be damaged shall, subject to the provisions of Section 6.1(k) of this Declaration, 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 3.1(c) shall be appurtenant to the land and shall pass to such Owner's successors in title.
- (d) All pipes, wires, conduits, chutes, flues, ducts, shafts, public utility, water, power, air, sewer lines, or any other similar fixtures located inside the designated vertical and horizontal boundaries of a Unit and those between the point at which the same enter the Owner's Unit and the closer of the point where the same join the utility lines serving another Unit or exit the Building, are part of the Unit.
- (e) Variances between the Plat and as-built construction. The boundaries of a Building or Unit constructed or reconstructed in substantial accordance with the Plat shall be conclusively presumed to be the actual boundaries rather than the description expressed in the Plat, regardless of the settling or lateral movement of the Building and regardless of minor variance between boundaries shown on the Plat and those of the Building or Unit.
- (f) Each Unit, together with its Undivided Interest in the Common Areas, shall, for all purposes, constitute real property and may be individually conveyed and

encumbered and may be inherited or devised by will. Any Unit may be held and owned by more than one Person as joint tenants or as tenants in common, or in any other real property tenancy relationship recognized under the laws of the state of Utah.

- (g) Each Unit shall be assessed separately for taxes, assessments, and other charges of the state of Utah or of any political subdivision or special improvement district or of any other similar authority. The Common Area shall not be subject to separate taxation or assessment.
- (h) Each Owner may separately convey, encumber, or mortgage the Owner's Unit. No Owner may encumber the Common Areas, except to the extent of the Undivided Interest in the Common Area appurtenant to the Unit. The provisions of this Declaration shall be superior to any such interest and in the event of any foreclosure (judicial or otherwise) the Person taking title shall be subject to this Declaration.

3.2 Limited Common Area.

- (a) Specific Identification of Limited Common Areas. The Limited Common Area associated with each Unit shall consist of areas identified on the Plat or in this Declaration as Limited Common Area.
- (b) Parking Spaces. Primary parking for Owners is in the garage space contained in the Owner's Unit. The parking space or spaces directly in front of the garage door or doors belonging to a particular Unit constitute Limited Common Area appurtenant to such Unit.
- (c) Patios, Backyard, Balconies, Entryways, Fireplaces and Storage Areas. The patio, backyard, balcony (or balconies), exterior screens and shutters and entryway, if any, which are adjacent to each respective Unit as set forth and depicted on the Plat shall be exclusive Limited Common Area for the Unit. If an Owner's patio, as built, is smaller than that depicted on the Plat, the Owner may request approval from the Board to extend the patio, at the Owner's cost, to the patio size set forth on the Plat.
- (d) Water Spigots. The external water spigots are Limited Common Areas appurtenant to the Unit from whose external wall the spigot protrudes. On Triplex Buildings, the external water spigot on the side of the building on which the entry to the upstairs, or top, Unit is built shall be a Limited Common Area for the Unit from whose external wall the spigot protrudes and the upstairs Unit whose entry door is on the same side of the building as the spigot.
- (e) No Severance of Limited Common Area. The right to the exclusive use of the Limited Common Area shall be appurtenant to each respective Unit where so identified and may not be severed from the ownership of the Unit.

- 3.3 Undivided Interest of Each Unit in the Votes of the Association. The Owners of each Unit shall be entitled to vote their Undivided Interest for all matters related to the Association that Owners are permitted or required to vote or approve. The Undivided Interests shall be as provided for on Exhibit B. Any difference in square footage, location, size, value, or other aspect of any Unit shall not be a reason to alter or change any Undivided Interest.
- 3.4 Plat. The Plat and all dimensions, descriptions, and identification of boundaries therein shall be binding on the Association and the Project. If any conflict exists between the Plat and this Declaration, this Declaration shall control.

**ARTICLE 4
MAINTENANCE, REMODELING, AND UTILITIES**

- 4.1 Owner Responsibility.
- (a) The Owner of a Unit shall furnish and be responsible for, at the Owner's own expense, all of the maintenance, repair, and replacement of all of the following with regard to the Owner's Unit and any Limited Common Area appurtenant to the Owner's Unit:
- (1) All interior and exterior doors, including thresholds, jams, hinges, doorbells, chimes, handles, and locks;
 - (2) All paneling, tile, wallpaper, paint, carpet, finished interior flooring, fireplaces, and any other materials constituting the finished interior surfaces of floors, ceilings, or walls;
 - (3) All drywall, wallboard, or similarly functioning materials within the Unit;
 - (4) All framing, insulation, and other materials associated with interior nonbearing walls;
 - (5) All fixtures, appliances, and other improvements in the Unit;
 - (6) All dryer vents serving the Owner's Unit; and
 - (7) All equipment, lines, pipes, wiring, equipment, and fixtures related to the provision of: sewer and water drainage and removal, hot and cold water, power, natural gas, lighting, Internet, television, telephone, and any other utility service, wherever they might be located (inside or outside of the Unit) that serve an Owner's Unit exclusively. For water spigots serving two Units, as identified Section 3.2(d), the Owners' of the two Units shall equally share the maintenance responsibility of the appurtenant water spigot.
- (b) Without the prior approval of the Board, an Owner shall not replace or make any alterations, repairs, or modifications to the surface of any door facing the Common Area, or any part of the exterior of a Building including any door that

the Owner is obligated to maintain. The Association may require that such repairs or modifications, if allowed, be made in a particular manner, by a particular person, or that they comply with particular materials or aesthetics requirements or other standards.

- (c) The Owner shall be responsible for keeping the following areas in a clean and sanitary condition and free of pests and rodents:
 - (1) the Unit;
 - (2) the balconies, patios, entryways and decks appurtenant to the Unit;
 - (3) any Limited Common Area storage areas associated with the Unit;
 - (4) the interior surface of any window on the exterior boundary of the Unit;
and
 - (5) the Limited Common Area parking spaces appurtenant to the Owner's Unit, including by promptly removing or causing to be removed any staining from fluids that have dripped from automobiles or elsewhere onto the concrete driveway and parking space.
- (d) Limited Common Areas. The Board may set forth in the Rules complete restrictions on all or some items or specific restrictions or guidelines on what may or may not be kept, installed, or left on or in any balcony, patio, entryway, deck, parking area, or other Limited Common Areas.

4.2 Association Responsibility

- (a) Except as maintenance and cleaning obligations are otherwise assigned to the Owners or others in this Declaration, the Association shall repair, maintain, replace, and clean the Common Area, which shall include but not be limited to the obligation to repair, maintain, replace, and clean (as appropriate) the following:
 - (1) all foundations, concrete pillars, and suspended concrete slabs and pads;
 - (2) all framing and structural components in ceilings and floors;
 - (3) all framing, structural components, and insulation in exterior and bearing walls;
 - (4) except as otherwise provided herein, all framing, structural components, and insulation located in any wall on the boundary to a Unit;
 - (5) the exterior surfaces of the Building and all components that are a part of the exterior surface of the Building;
 - (6) the roofs of the Buildings and clubhouse;
 - (7) all equipment, lines, pipes, wiring, equipment, and fixtures related to the provision of: sewer and water drainage and removal, hot and cold water, power, natural gas, Internet, television, telephone, and any other utility

- service, wherever they might be located, to the extent they serve more than one Unit, except for the water spigots serving two Unit as identified in Sections 3.2(d) and 4.1(a)(7);
- (8) the clubhouse, swimming pool, exercise room, basketball court, and all similar amenities not located within a Unit;
 - (9) the driveways and private roadways located within the Project;
 - (10) all Common Areas and common spaces; and
 - (11) all Limited Common Areas for which maintenance has not otherwise been assigned to an Owner, or the Owners.
- (b) The Association shall have the right to modify, remove fixtures from, add fixtures and structures to, place signs upon, and otherwise modify the Common Area (subject only to the obligation to get approvals for material alterations to the Project). The Association shall do all such other and further acts that the Board deems necessary to preserve and protect the Common Area, in accordance with the general purposes specified in this Declaration.
- (c) **Owner Approval for Certain Improvements.** Improvements shall be governed by and subject to the following conditions, limitations, and restrictions:
- (1) Any improvement (repair, replacement, modification, or upgrade) to the Project that does not materially alter the Project may be authorized by the Board alone.
 - (2) A material alteration to the Project is the installation of a previously non-existent and materially significant fixture or permanent removal of a materially significant fixture such as a swimming pool, hot tub, exercise room, tennis court, or parking area. Landscaping alterations, general remodeling, the updating of existing fixtures such as heating and ventilation systems for the clubhouse, electrical systems, plumbing equipment, and the addition or removal of signs or small structures are not material alterations to the Project.
 - (3) Regardless of its cost and prior to being constructed or started, any improvement that would materially alter the Project must be authorized by the vote of Owners holding at least fifty percent (50%) of the Undivided Interests at a meeting called for that purpose and must be approved of by the Board. No material alteration that changes the size, shape, or location of any Unit shall be permitted without the written consent of all directly affected Owners.
- (d) **Standard of Maintenance.** The Board shall determine, in its sole discretion, the appropriate maintenance standard for the Common Area, Limited Common Area, so long as those areas are maintained in the best interests of the Owners and consistent with the standards of an the Project.

- (e) Assessment of Maintenance Expenses to Specific Owner. Subject to the provisions related to insurance responsibility and deductible allocation, if the need for maintenance or repair is caused by an Owner or an Occupant, the Association shall assess to the Owner the actual cost of such maintenance or repair to the extent the repair costs are not paid for by any applicable insurance.

4.3 Remodeling, Maintenance, and Repair of Units.

- (a) An Owner may complete any maintenance or upgrades to the interior of a Unit, not otherwise defined as remodeling, without prior approval of the Association.

- (b) Remodeling.

(1) For the purpose of this Declaration, remodeling shall include but not be limited to: changing, removing, or adding flooring such as carpet, linoleum, tile or hardwood floors; kitchen or bathroom modifications; moving or removing walls; altering the walls beyond painting such as by adding interior brick, paneling, or glass; any change to the electrical, mechanical, plumbing, fireplaces, or ventilation system other than repairing, changing or replacing vent covers, outlet covers, or faucets; and any other activity generally referred to as remodeling.

(2) Before beginning any remodeling or deviating from a previously approved remodeling plan, the Owner shall:

(i) Notify the Board and provide the following: (1) a written description of the proposed remodeling; (2) a description of how any debris or materials removed will be disposed of; (3) the date the remodeling is expected to begin; (4) the date the remodeling is expected to be completed; (5) the names, contractor's license numbers, proof of current workers compensation insurance, and proof of current liability insurance for all contractors and other persons expected or required to perform work in the remodeling, if available (all of this information shall be provided to the Association before work begins); (6) any expected nuisance that the remodeling may create such as noise or dust; and (7) the Owner's proposal for mitigating any expected nuisance.

(ii) Wait to begin the remodeling until the Board gives written approval. If the Association does not respond within thirty (30) days of a notice of remodeling, the Owner may complete the remodeling to the Unit consistent with the information provided in the notice and the requirements of this Declaration. The Board may respond by approving the request, requesting additional information, or denying the request if the notice is not complete or if the remodeling plan appears unsafe or inconsistent with the terms of the Governing Documents. If the Association responds and requests further information or denies the request, the Owner shall not begin the remodeling.

(iii) Pay or agree to pay any fees or costs required by the Board associated with reviewing or monitoring the remodeling.

(3) Without prior written permission of the Board and regardless of whether any response from the Board is timely received or not related to a request for remodeling approval, none of the following shall occur at any time: (i) any use of the Common Area or any roadways for staging, storage, assembly, or construction; (ii) any nuisance as established by law or by the Governing Documents; (iii) any blocking of the Common Area or roadways by vehicles, materials, or persons; (iv) any use of any Association garbage and disposal facilities for the disposal of debris, materials, or other items related to remodeling; or (v) modification to any Common Area.

(4) The Board shall have no authority to approve of any remodeling inconsistent with the Terms and Conditions, that modifies the boundaries of any Unit from the original construction (unless any such modification is otherwise specifically allowed in this Declaration or by law), or that would cause unsafe conditions or a legal nuisance.

(c) All remodeling and other repairs and modifications to Units must be completed in compliance with all applicable building codes, laws, and the manufacturer's specifications for any materials, equipment, and fixtures. The Board shall have no obligation to verify that any remodeling or other repairs and modifications to Units are completed as required herein.

4.4 **Default in Maintenance.** If an Owner or Occupant fails to: (1) maintain or clean a Unit or Limited Common Area as required in the Governing Documents, or (2) make repairs otherwise required of the Owner in such a manner as may be deemed reasonably necessary in the judgment of the Board to preserve and protect the structural integrity, attractive appearance, good condition, and value of the Units in the Project; then the Association may take any action allowed for a failure to comply with the Declaration and may give written notice to such Owner or Occupant stating with particularity the nature of the default and the corrective action that the Board determines to be required and requesting that the same be carried out within a period of at least thirty (30) days. If the Owner or Occupant fails to carry out such action within the period specified by the notice then the Board may cause corrective action to be taken (which may include completing the repairs and replacements) and may assess the Owner for all costs associated therewith.

4.5 **Utilities.** All utilities for individual Units (except those utility costs that are metered collectively and paid by the Association as a Common Expense item) will be metered separately to each Unit and such utility charges shall be the responsibility of the Unit Owner. If water for a shared spigot, as identified in Section 3.2(d), is metered separately to an Individual Unit, the Owner of the Unit to which the water is separately metered is responsible for paying the water expense.

ARTICLE 5
ORGANIZATION AND GOVERNANCE OF THE ASSOCIATION

- 5.1 Organization of Association. The Association shall serve as the organizational body for all Owners.
- 5.2 Modifying or Changing the Name of the Project. The name of the Project may be modified or changed pursuant to a lawful amendment to this Declaration.
- 5.3 Legal Organization. The Association may be organized as a non-profit corporation. In the organization, reorganization, or amendment of any documents related to the legal organization of the Association, the terms in all such documents shall, to the extent possible under the applicable law, be consistent with the terms in the Declaration and the Bylaws. If the legal entity should ever expire or be dissolved for any reason as required or permitted by law, in any reorganization or reinstatement of the entity, the Association shall, to the extent possible and subject to any then existing legal requirements, adopt documents with terms substantially similar to the documents related to the expired or dissolved entity.
- 5.4 Membership. Membership in the Association shall at all times consist exclusively of the Owners. Each Owner shall be a member of the Association so long as such Owner has an ownership interest in a Unit and such membership shall automatically terminate when the Owner ceases to have an ownership interest in a Unit. Upon the transfer of an ownership interest in a Unit, the new Owner succeeding to such ownership interest shall likewise succeed to such membership in the Association. If titled ownership to a Unit is held by more than one Person, the membership appurtenant to that Unit shall be shared by all such Persons in the same proportional interest and by the same type of tenancy in which title to the Unit is held.
- 5.5 Availability of Documents. The Association shall make available to the Owners, Lenders and insurers of any Lender, current copies of the Governing Documents and other minutes, books, records and financial statements related to the operations of the Association. The term "available" as used in this section shall mean available for inspection and copying within thirty (30) days after receiving a proper request, during normal business hours and under other reasonable conditions. The Association shall have the right to refuse to disclose information that the Board determines, in good faith, would reveal sensitive personal or financial information of another Owner or of an employee or agent of the Association, such as bank account numbers, birth dates, or social security numbers. The Association may require that the Owner comply with any statutory provision or other legal requirement applicable to providing this information before providing it. Subject to any legal requirements to the contrary, the Association may charge a fee for the reasonable cost of producing documents or information.
- 5.6 Board of Directors. The governing body of the Association shall be the Board of Directors elected and removed as provided in the Bylaws. Unless otherwise provided for

in the Bylaws, the Board shall consist of five (5) members. If five (5) members are not elected to the Board at any annual meeting of the members, the Board may operate with three (3) members. Vacancies on the Board may be filled in accordance with the procedures set forth in the Bylaws. Except as otherwise provided in this Declaration or the Articles of Incorporation, the Board shall act, in all instances, on behalf of the Association. Any reference to an act, right, or obligation of the Association in the Governing Documents may only be exerted or complied with through an action of the Board. Except as may be specifically provided in the Declaration, Articles of Incorporation, or by applicable law; no Owner or group of Owners other than the Board may direct the actions of the Association.

- 5.7 Reasonable Ongoing Requirements for Board Members. The Bylaws may place reasonable obligations and requirements on existing Board Members to retain their membership on the Board, such as a requirement that a Board Member attend a specified number of meetings. The Bylaws may further provide for a procedure for removal of any Board Member who fails to comply with the reasonable requirements, which may include some action of the remaining Board Members.
- 5.8 Limitation on Authority of Owners, Board Members, Officers, and the Board.
- (a) Except as provided herein or in the Bylaws, the Board, any individual Owner, and any individual Board Member or Officer shall have no authority to and may not act on behalf of the Association or the Board to:
- (1) amend or terminate any Governing Document;
 - (2) elect or remove members of the Board;
 - (3) establish or change the qualifications, powers and duties, requirements, or terms of Board Members or of the Board; or
 - (4) authorize or agree to any deviation or exception from the Terms and Conditions.
- 5.9 No Estoppel or Reliance on Actions or Authorizations Contrary to Governing Documents. No one may rely upon any authorization (from the Board or otherwise) contrary to the terms of the Governing Documents regardless of the circumstances under which it is given, and no claim or defense of estoppel or waiver or similar equitable or legal claim or defense may be raised by anyone related to any alleged reliance. It is the responsibility of anyone interacting with, visiting, occupying, or purchasing a Unit in the Association to verify that anything that the Association does, does not do, or authorizes related to the Project or the Association is in compliance with the terms of the Governing Documents.
- 5.10 Registration with the State. In compliance with Utah Code Ann. § 57-8-13.1, the Association shall be registered with the state Department of Commerce and shall update its registration to keep any required information current as required by law.

ARTICLE 6
GENERAL RIGHTS AND RESPONSIBILITIES OF THE ASSOCIATION

- 6.1 Rights and Responsibilities of the Association. The Association shall have the following rights and responsibilities, in addition to any others set forth in the Governing Documents or provided by law:
- (a) **Paying Expenses.** The Association shall provide for the payment of Association expenses.
 - (b) **Setting and Collecting Assessments.** The Association shall establish, collect, and account for Assessments as necessary to operate the Project consistent with the requirements of the Governing Documents.
 - (c) **Entering Units.** After having given the appropriate notice as provided for in this Declaration, the Association shall have the right, at the discretion of the Board, at all times upon reasonable notice (and at any time in case of an emergency) to enter into any Unit to abate any infractions, to make repairs or correct any violation of any of the Terms and Conditions, or to abate any condition that threatens the health or property of any Owner or Occupant.
 - (d) **Adopting and Enforcing Rules.** The Association may adopt Rules for the regulation and operation of the Project. If they are adopted, they shall be consistently and uniformly enforced. The Rules may address any issues including those addressed in any other Governing Document. The Rules may supplement, clarify, and add detail to issues addressed in the other Governing Documents so long as they do not contradict the same. The Board's determination as to whether a particular activity being conducted or to be conducted violates or will violate the Rules shall be conclusive, subject to a judicial determination if any is timely sought. The standard for adoption of Rules is one of reasonableness. A Rule must be reasonable in light of the circumstances pertaining to the situation or issue addressed by the Rule.
 - (e) **Hiring Managers and Delegating Responsibilities.** The Association shall hire a Manager to assist the Board in the management and operation of the Project and may delegate its powers and obligations in the Governing Documents to the manager, employees, or other agents as it deems appropriate; provided, however, that only the Board shall have the right to approve Association budgets, fines to Owners, and General and Special Assessments. Any powers and duties delegated to any Manager or other Person may be revoked by the Board at any time, with or without cause. Any management agreement must be terminable without penalty and with or without cause upon thirty (30) days' notice. **THE BOARD OF DIRECTORS HAS NO AUTHORITY TO ENTER INTO ANY MANAGEMENT AGREEMENT OR CONTRACT INCONSISTENT WITH THE TERMS OF THESE GOVERNING DOCUMENTS OR THAT**

PROVIDES FOR ANY TERMINATION FEE OR REQUIREMENT FOR TERMINATION FOR CAUSE.

- (f) **Other Necessary Rights.** The Association shall have any other right that is reasonably necessary to carry out the terms of the Governing Documents.
- (g) **Enforcement Rights.** In addition to any other remedies allowed or provided in the Governing Documents for any violation of the Governing Documents, the Association may: (1) impose fines; (2) terminate Owners' rights to receive utility services paid as a common expense; (3) collect rents directly from tenants if Owners fail to pay Assessments; and (4) take any other action or seek any other remedy allowed by the Act or other applicable Utah law.
- (h) **Enforcement.** The Board shall uniformly and consistently enforce and implement the Terms and Conditions in the Governing Documents.
- (i) **Reserve Fund.** The Association shall establish and fund a reserve fund and obtain and update a Reserve Analysis as required in this Declaration.
- (j) **Preventing Conflicts with Service Providers and Vendors.** The Association shall not permit any paid services or materials obtained by the Association to be performed or provided by: (1) any relative of any Board Member, Manager, or of any officer, employee, or owner of the Manager; (2) any business or entity in which any Board Member, Manager, or employee, officer, or owner of any Manager or any relative of the same is employed or has more than a 1% ownership or beneficial interest; or (3) any business, entity, or Person with any familial or financial relationship with any Board Member, Manager, or of any officer, employee, or owner of the Manager, or any relative of the same. The prohibitions above related to the Manager and relatives of the Manager shall not apply to the management company as it relates to providing management services or other directly contracted for services by the manager. A relative is any Person known to be related by blood or marriage. The provision of services and materials for purpose of this provision shall include managers, insurance brokers, investment or financial advisors, accountants, landscapers, contractors, and all other companies and Persons providing services to the Association.
- (k) **Establishing Hearing Procedures.** The Board shall have the authority to create a reasonable hearing process applicable in case the Association shall take adverse action related to any particular Owner or group of Owners. The Board shall not be under any obligation to offer a hearing process, except as required by law or by the Governing Documents, and in any such process, shall have the authority to designate the procedure related to any such hearing and to make any and all final determinations of issues subject to the hearing process. The Board may establish the hearing process on an as-needed basis for particular matters as they arise or may set forth a process in the Rules applicable generally to such matters that it designates. Any such hearing process shall provide, at a minimum for: (1) at least

two weeks' notice of the hearing to the Owners, and (2) a reasonable time period under the circumstances for the Owner(s) to present their own testimony, the testimony of others, argument, authority, evidence, and other information the Owner deems relevant to the disputed issue.

- (l) **Annual Meeting.** The Board shall arrange for and conduct an annual meeting at least once a year as provided for in the Bylaws and shall arrange for and conduct such other meetings of the Association as shall be properly requested pursuant to the Governing Documents or the law.
- (m) **Payoff Information Fees.** The Association is specifically authorized to establish a fee up to the maximum amount allowed by law to provide payoff information related to the transfer, refinance, or closing of a Unit.
- (n) **Bulk Services Agreements.** The Association shall have the right to enter into agreements, as the Board deems appropriate, for the provision of cable, television, internet, telephone, or other similar services for all of the Units. Such services shall be assessed to the Owners pursuant to the provisions of this Declaration and in any Assessment, may be broken out as a separate line item on invoices, statements, or notices of Assessment.
- (o) **Review and Audit of Association Finances.** Not less than once every three years, the Association shall have an independent accountant conduct a review of the Association's finances. The Association shall make the review available to the Owners. Any Owner may have an audit conducted of the Association's records, at that Owner's expense, and the Association shall cooperate in providing access to any records needed for that audit. Upon receipt of a request signed by owners holding 20% of the outstanding ownership interests, the Board shall have an audit conducted of the Association's finances and shall make the audit available to the Owners.

ARTICLE 7 BUDGETS & ASSESSMENTS

- 7.1 **Purpose of Assessments.** Money collected by the Association shall be used for: (i) the purposes of promoting the health, safety and welfare of the Owners; (ii) the management, maintenance, care, preservation, operation, and protection of the Project; (iii) enhancing the quality of life of the Owners in the Project; (iv) enhancing and preserving the value of the Project and Units; and (v) the furtherance of carrying out or satisfying any other responsibility or power of the Association.
- 7.2 **Budget and Regular Assessment.**
 - (a) The Board is authorized and required to prepare a proposed budget for each fiscal year. The proposed budget for the following fiscal year shall be prepared and sent to the Owners not later than thirty (30) days prior to the annual meeting.

- (b) The proposed budget shall be approved of by the Owners at the annual meeting. If the proposed budget is not approved at the annual meeting, the prior year's budget shall remain in effect until such time as a new budget is approved at a meeting of the Owners.
- (c) The budget shall estimate the total Common Expenses to be incurred for the next fiscal year (or that fiscal year for a revised budget), which shall be broken down into reasonably detailed expense categories. The budget may include reserves, contingencies, and estimates as the Board deems appropriate.
- (d) If the proposed budget is modified before adoption and after the mailing required prior to the annual meeting, the Board shall send a written copy of the final budget to all Owners no later than thirty (30) days after the adoption of the proposed budget or any revised budget.
- (e) The Board shall determine the amount of the regular Assessments to be paid by the Owners of each Unit by multiplying the total budgeted amount by the Undivided Interest for each Unit.

- 7.3 Payment of Regular Assessments. Unless otherwise established by the Board and communicated to each Owner, each Owner shall pay to the Association the Owner's regular Assessment in equal monthly installments.
- 7.4 Adjustments to Regular Assessments. In the event the Board determines that the estimate of total charges for the current year is, or will become, inadequate to meet all Common Expenses for any reason, it may then revise the budget and each Owner's share of the new budget total based on the Owner's Undivided Interest. Upon notice of the adjustment, and unless modified by the Board, each Owner shall thereafter pay to the Association the Owner's adjusted regular Assessment in equal monthly installments.
- 7.5 Personal Obligation for Assessment. Each Owner of any Unit, by acceptance of a deed or other instrument creating in such Owner the interest required to be an Owner, whether or not it shall be so expressed in any such deed or other instrument and regardless of any lien rights or lack thereof, hereby personally covenants and agrees with each other Owner and with the Association to pay to the Association any Assessments as provided for in the Governing Documents, including any Assessments assessed and unpaid prior to the date the Owner became an Owner. Each such Assessment, together with any interest, collection charges, costs and attorneys' fees, shall also be the personal obligation of the Owner of such Unit at the time the Assessment is assessed.
- 7.6 Improvements. Expenses for improvements may be included in the budget, paid for through Special Assessments, or paid for in any other manner as determined by the Board.

- 7.7 Allocation of Assessments. Except as otherwise provided herein, all Assessments (other than Special Assessments to individual Units) shall be allocated to Owners based on the Undivided Interest applicable to the Unit.
- 7.8 Rules Regarding Billing and Collection Procedures. The Board may adopt Rules setting forth procedures applicable to Assessments provided for in this Declaration and for the billing and collection of all Assessments, provided that such procedures are not inconsistent with the provisions herein. Such procedures and policies may include, but are not limited to, the date when Assessment payments are due and late, establishing late fees and collection charges, and establishing interest (per annum or compounded) that may be charged on unpaid balances. The failure of the Association to send a statement to an Owner or an error in any such statement (other than a Certificate of Payment) shall not relieve any Owner of liability for any Assessment or charge under the Governing Documents.
- 7.9 Certificate of Payment. The Association shall, within ten (10) business days after written demand, furnish to any Owner liable for Assessments or such other Person for whom an Owner has given written permission in a form acceptable to the Association, a written statement or certificate signed by an officer or authorized agent of the Association setting forth whether the Assessments relating to a specified Unit have been paid and the amount of delinquency, if any. A reasonable charge of fifty dollars (\$50.00) or such other amount allowed by law and provided for in the Rules may be collected by the Association for the issuance of each such certificate. Each certificate is conclusive in favor of a Person who relies on the written statement in good faith.
- 7.10 Special Assessments. Subject to any limitations in this Declaration for the particular type of expense, the Association is expressly authorized to set and collect special Assessments payable as may be determined by the Association (in lump sums or over a period of time) to pay for any Common Expenses. Notwithstanding the wording or terms of any notice of special Assessment, a special Assessment shall be deemed assessed, for all purposes, on the date that the payment for the Assessment is assessed.
- 7.11 Special Assessments to Individual Units. Special Assessments may be assessed by the Association against a particular Unit and its Owner for:
- (a) Costs incurred in bringing an Owner or the Owner's Unit into compliance with the provisions of the Governing Documents;
 - (b) Any other charge designated as pertaining to an individual Unit in the Governing Documents;
 - (c) Fines, late fees, collection charges, and interest; and
 - (d) Attorneys' fees, costs and other professional expenses relating to any of the above.

- 7.12 Acceptance of Materials or Services. In the event the Association undertakes to provide materials or services that are not otherwise required in the maintenance of the Project, which benefit individual Units, and which can be accepted or not by individual Owners, such Owners, in accepting such materials or services, agree that the costs thereof may be a special Assessment pertaining to that Unit, at the discretion of the Board.
- 7.13 Application of Excess Assessments. In the event the amount budgeted to meet Common Expenses for a particular fiscal year proves to be excessive in light of the actual Common Expenses, the Board in its discretion may apply the excess to reserves, credit the excess against future Assessments or refund the excess to the Owners in proportion to the Undivided Interests of each Unit in the Common Expenses of the Project, as the Board deems appropriate. The decision of the Board shall be binding and conclusive. In addition, the Association shall not be obligated to reduce the amount of Assessments in succeeding years if an excess exists for a prior year.
- 7.14 No Offsets. All Assessments shall be payable at the time and in the amount specified by the Association, and no offsets against such amount shall be permitted for any reason, including, without limitation, a claim that the Board is not properly exercising its duties and power, a claim in the nature of offset or that the Association owes the Owner money, or that the Association is not complying with its obligations as provided for in the Governing Documents.
- 7.15 How Payments Are Applied. Unless otherwise provided for in the Rules, all payments for Assessments shall be applied to the earliest charges first. Owners shall have no right to direct the application of their payments on Assessments or to require application of payments in any specific order, to specific charges, or in specific amounts.
- 7.16 Loans. Upon approval of Owners holding forty percent (40%) of the Undivided Interests by vote at a meeting called for that purpose, the Association may borrow money, enter into leases, and may provide such security as necessary for the loan or lease, including but not limited to securitizing, pledging, or assigning the Association's right to assess Owners. Notwithstanding anything to the Contrary, no Unit shall be security for any loan to the Association without that Unit Owners' consent.

**ARTICLE 8
NONPAYMENT OF ASSESSMENTS &
JOINT AND SEVERAL LIABILITY OF OWNERS FOR ALL PAST UNPAID
ASSESSMENTS**

- 8.1 Delinquency. Assessments not paid within the time required shall be delinquent. Whenever an Assessment is delinquent, the Board may, at its option, invoke any or all of the remedies granted in this Article 8.

- 8.2 **Collection Charges and Interest.** If the Association does not otherwise adopt or establish substitute billing and collection procedures, including the amount of late fees and interest, in the Rules, the following shall apply. Monthly Assessments shall be due and payable on the first of the month and late if not received by the 10th of that month. Late fees shall be \$35.00 for each month that an Owner's account has an unpaid balance after the due date. In addition to late fees, interest shall accrue on all unpaid balances, including unpaid prior attorney fees, interest (resulting in compounding of interest), late fees, and Assessments, at 2% per month. The Association may also impose and assess to the Owner a collection charge, late fee, and any other reasonable charge imposed by a Manager related to collections, as the Board may establish in the Rules.
- 8.3 **Joint and Several Liability of Owner and Future Owners for All Past and Presently Accruing Unpaid Assessments.** The Owner and any future Owners of a Unit are jointly and severally liable for all Assessments accruing related to that Unit prior to and during the time that an Owner is an Owner. An Owner is not liable for any Assessments accruing after an Owner has lawfully transferred the Unit to another Owner. The recording of a deed to someone or some company that has not agreed to take ownership of the Unit shall not be considered a legal conveyance of title. The obligation in this paragraph 8.3 is separate and distinct from any lien rights associated with the Unit.
- 8.4 **Lien.** The Association has a lien on each Unit for all Assessments, which include but are not limited to interest, collection charges, late fees, fines, attorneys' fees, court costs, and other costs of collection (which shall include all costs and not be limited by those costs that may be awarded under the Utah Rules of Civil Procedure). This lien shall arise and be perfected as of the date of the recording of this Declaration and shall have priority over all encumbrances recorded after this Declaration is recorded, except as otherwise required by law. If an Assessment is payable in installments, the lien is for the full amount of the Assessment from the time the first installment is due, unless the Association provides otherwise in the notice of Assessment. The Association's lien shall have priority over each other lien and encumbrance on a Unit except only: (1) a lien or encumbrance recorded before this Declaration is recorded, (2) a first or second security interest on the Unit secured by a mortgage or trust deed that is recorded before a recorded notice of lien by or on behalf of the Association; and (3) a lien for real estate taxes or governmental assessments or charges against the Unit. The Association may, but need not, record a notice of lien on a Unit.
- 8.5 **Action at Law.** The Association may bring an action to recover a delinquent Assessment either personally against the Owner obligated to pay the same or by foreclosure of the Assessment lien. In addition, the Association's choice of one remedy shall not prejudice or constitute a waiver of the Association's right to exercise any other remedy. Any attorneys' fees and costs incurred in this effort shall be assessed against the delinquent Owner and the Owner's Unit, and reasonable attorneys' fees and court costs will thereafter be added to the amount in delinquency (plus interest and collection charges, if appropriate). Each Owner vests in the Association or its assigns the right and power to bring actions at law or lien foreclosures against such Owner or Owners for the collection of delinquent Assessments.

- 8.6 Foreclosure Sale. The Association shall have all rights of foreclosure granted by the Act, both judicially and non-judicially. Pursuant to Utah Code Ann. Sections 57-1-20 and 57-8-44 to -53, an Owner's acceptance of an interest in a Unit constitutes a simultaneous conveyance of the Units in trust, with power of sale, to Quinn A. Sperry, as trustee, for the benefit of the Aspen Springs Condominiums Association, for the purpose of securing payment of Assessments under the terms of this Declaration. The Association may appoint a qualified successor trustee by executing and recording a substitution of trustee form.
- 8.7 Homestead Waiver. Each Owner, to the extent permitted by law, hereby waives, to the extent of any liens created pursuant to this Declaration, whether such liens are now in existence or are created at any time in the future, the benefit of any homestead or exemption laws of the State of Utah now in effect, or in effect from time to time hereafter.
- 8.8 Termination of Delinquent Owner's Rights. The Association shall have all rights provided for in the Act to terminate a delinquent Owner's: (1) rights to receive a utility service for which the Owner pays a Common Expense, and (2) access to recreational facilities.
- 8.9 Requiring Tenant to Pay Rent to Association. Pursuant to and as provided for in the Act, the Association shall have a right to demand and collect rent from any tenant in a Unit for which an Assessment is more than sixty (60) days late.
- 8.10 Attorneys' Fees Incurred As a Result of a Default. In addition to any attorney fees and costs provided for herein, the Association shall be entitled to recover all reasonable attorneys' fees and costs incurred as a result of an Owner's failure to timely pay Assessments, including but not limited to attorneys' fees and costs incurred to: (1) obtain advice about a default; (2) collect unpaid Assessments; (3) file lawsuits or other legal proceedings related to a default in an effort to collect unpaid Assessments; (4) file pleadings, notices, objections, and proofs of claim in any bankruptcy proceeding; (5) examine the debtor or others related to collections; (6) monitor any bankruptcy proceedings including but not limited to regular monitoring of an Owner's progress in a chapter 13 plan for the duration of the plan; (7) file relief from stay motions, objections, or other adversary proceedings in bankruptcy and all related activities including seeking and responding to discovery, taking depositions or examinations, introducing evidence, hiring and paying expert witnesses, filing motions and other pleadings, attending trials, hearings, or other court proceedings, including as necessary related to assert any non-dischargeability of debts, to assert claims against the estate or co-debtors, to challenge exemptions, to pursue any appropriate adversary proceeding, or for any other reason related to the ultimate attempt to collect unpaid Assessments; and (8) foreclose a lien, secure lien rights, or provide for any notice of lien. This provision is to be construed broadly to permit an Association to recover any reasonable fees and costs in any way related to an Owner's default in the payment of Assessments and the ultimate collection of those Assessments. If an Owner files for bankruptcy relief and the Owner is current

on paying assessments at the time of the bankruptcy filing, the Association may still assess the Owner for attorneys' fees and costs incurred by the Association for the Association's attorney to review the Owner's bankruptcy pleadings and take efforts to protect the Association's interests.

- 8.11 Association Foreclosure. If the Association takes title to a Unit pursuant to a foreclosure (judicial or non-judicial), it shall not be bound by any of the provisions related to the Unit that are otherwise applicable to any other Owner, including but not limited to: obligations to pay assessments, taxes, insurance, or to maintain the Unit. By taking a security interest in any Unit governed by this Declaration, Lenders agree not to make any claim against the Association for nonpayment of taxes, assessments, or other costs and fees associated with any Unit if the Association takes title to a Unit related to any failure to pay assessments.

ARTICLE 9 PROPERTY RIGHTS IN UNITS AND COMMON AREA

- 9.1 General Easements to Common Area and Units.
- (a) Subject to limitations in the Governing Documents, each Owner shall have an Undivided Interest in, and easement of use and enjoyment in and to, the Common Areas for the purposes for which they were intended. Such use cannot hinder or encroach upon the lawful rights of the other Owners and may not extend into the Limited Common Area reserved for the use of an Owner of another Unit. Each Owner shall have an unrestricted and non-exclusive right of ingress or egress to and from the Owner's Unit over and across such Common Area, subject to any other restrictions related to such use. Such rights and easements shall be appurtenant to and shall pass with title to each Unit and in no event shall such appurtenant rights be separated therefrom. Authorized Occupants shall have the same access and use rights to the Common Area as an Owner. All such rights shall be subject to any Rules established by the Board.
 - (b) The Association shall have nonexclusive easements with the right of access to each Unit, including any Limited Common Areas, to make inspections, to prevent or mitigate damage to Units and to Common Area, and to maintain, repair, replace or effectuate the restoration of the Common Area and those portions of the Unit that the Association is responsible for maintaining which are accessible from such Unit. Such rights shall be exercised only after the notice required in this Declaration. The Association shall have a nonexclusive right to grant permits, licenses, and easements upon, across, over, under, and through the Common Area for purposes necessary for the proper operation of the Project.
- 9.2 Public Utilities. Easements and rights-of-way over the Project for the installation and maintenance of electricity lines, telephone lines, cable television lines, fiber optics, water lines, gas lines, sanitary sewer lines, drainage facilities, telecommunication fixtures and equipment, utility fixtures and equipment, and such lines, fixtures, or equipment needed

or determined by the Board to be helpful in serving the Project, Units, or Unit Owners in the Project are hereby reserved to the Association, together with the right to grant, alter, and transfer the same; provided, however, such easements and rights-of-way shall not unreasonably interfere with the use of the Common Area and the Units by the Owners or Occupants. The Association shall have the power to grant and convey, in the name of the Association or all of the Owners as their attorney-in-fact, to any Person easements and rights-of-way in, on, over or under the Common Area or Units for the purpose of constructing, erecting, operating, or maintaining lines, cables, wires, wireless transmission or reception equipment, conduits, or other devices for electricity, cable television, power, telecommunications, internet, telephone, public sewers, storm water drains and pipes, water systems, sprinkling systems, water heating and gas lines or pipes and any other public, quasi-public, or private improvements or facilities. Each Owner in accepting the deed to a Unit expressly consents to such easements and rights-of-way and authorizes and appoints the Association as attorney-in-fact for such Owner to execute any and all instruments conveying or creating such easements or rights-of-way. Such Owner and those claiming by, through or under an Owner agree to execute promptly all such documents and instruments and to do such other things as may be necessary or convenient to effect the same at the request of the Association. However, no easement can be granted pursuant to this paragraph if it would permanently and materially interfere with the use, occupancy or enjoyment by any Owner of such Owner's Unit.

- 9.3 Easements for Encroachments. If any portion of the Common Area encroaches upon any Unit, or if any Unit encroaches upon any other Unit or the Common Area, as a result of the manner in which the Buildings is constructed or due to settling, shifting, alteration, replacement, repair or restoration by the Association, a valid easement for encroachment and maintenance of such encroachment, shall exist for the life of the structure.
- 9.4 Limitation on Easement—Suspension of Owner's Rights. An Owner's Undivided Interest, right and easement of use and enjoyment concerning the Common Area shall be subject to any other limitation in the Governing Documents and the following:
- (a) The right of the Association to suspend the Owner's right to the use of any recreational facilities included in the Common Area: (i) for any period during which an assessment on such Owner's Unit remains unpaid; (ii) for a period not exceeding sixty (60) days for any infraction by such Owner of the provisions of this Declaration or any Association Rule; 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 Occupants per Owner who at any given time are permitted to use the Common Area; and
 - (c) The right of any governmental or quasi-governmental body having jurisdiction over the Project to access and to have rights of ingress and egress over and across any street, parking areas, walkway or open areas contained within the Common Area for purposes of providing police and fire protection, transporting school children and providing other governmental or municipal services.

- 9.5 Views. Views from a Unit and the Project are not assured or guaranteed in any way. There is no warranty concerning the preservation of any view or view plane from the Project and each Owner and Occupant in such Owner's Unit acknowledges and agrees that there are no view easements or view rights appurtenant to the Unit or the Project.

**ARTICLE 10
USE LIMITATIONS AND CONDITIONS**

- 10.1 Rules. The Association shall have authority to promulgate and enforce such reasonable Rules and procedures as may aid the Association in carrying out any of its functions and to ensure that the Project is maintained and used in a manner consistent with the interest of the Owners.
- 10.2 Signs. The Association may regulate and restrict signs in the Project, to the extent permitted by law, in the Rules. "Signs" shall include any type of object (including but not limited to flags, billboards, banners, plaques, a-frames, easel signs, poly-bag signs, corrugated plastic signs, lawn signs, window signs) used to convey a message, symbol, idea, identification, or for any other purpose that signs are typically used, that is placed in, on, or outside of a Unit with the apparent purpose, in whole or in part, of making it visible to people outside of the Unit.
- 10.3 Nuisance. No noxious or offensive activity shall be carried on upon the Project, nor shall any activity that might be or become an annoyance or nuisance to the Owners or Occupants be permitted to interfere with their rights of quiet enjoyment or increase the rate of any insurance or decrease the value of the Units. No Owner or Occupant shall engage in activity within the Project in violation of any law, ordinance, statute, rule or regulation of any local, county, state or federal body.
- 10.4 Smoking. Smoking is prohibited within the Units, on Balconies, and within 25 feet of any Buildings and the clubhouse, pool and spa area, and basketball court. It shall be a nuisance and prohibited under Section 10.3 to permit or cause any smoke to drift or otherwise enter into another Unit, or the Limited Common Area of another Unit. Neither an Owner complaining of smoke or the Association responding to that complaint shall be required to close windows or doors, make repairs, or otherwise make any physical alteration to the Project or to any Unit to prevent drifting smoke from entering into that Unit or any Balcony associated with that Unit. It shall be the sole responsibility of the Owner causing the smoke to prevent or stop smoke from entering any other Unit or its Limited Common Area, which may require, if other attempts to stop it are unsuccessful, the termination of smoking.
- 10.5 Temporary Structures. No structure or building of a temporary character, including a tent or shack, shall be placed upon the Project or used therein unless it is approved by the Board.

- 10.6 **Parking.** Unless otherwise permitted by the Association in the Rules, and except for “customary parking” and “temporary parking,” as permitted by this Section 10.6, no automobiles or other vehicles of any type (including, without limitation, motorcycles, trailers, campers, vans, recreational vehicles, or boats) shall be parked, stored, or located within any portion of the Project, including any Unit or Common Area. “Customary parking” shall mean the parking of operable automobiles, motorcycles, noncommercial trucks and vans (each of which must not exceed ¾ ton in size and seven (7) feet in height measured from ground level and eighteen (18) feet in length) within the parking spaces designated as an exclusive Limited Common Area for each respective Unit. “Temporary parking” shall mean parking of operable vehicles belonging to Owners and Occupants and their visitors, including the parking of delivery trucks, service vehicles, and other commercial vehicles being used in the furnishing of goods and services to the Owners and Occupants. The Association may adopt Rules relating to the parking of vehicles within and in the area of the Project including, without limitation, (1) rules allowing or causing to be removed any vehicles that are improperly parked, (2) restrictions on the type and condition of vehicles in any customary or temporary parking, (3) restrictions on the time period and duration of temporary parking, and (4) the assessment of fines to Owners who violate the Rules or the assessment of fines to Owners who’s guests violate such Rules.
- 10.7 **External Fixtures.** To the extent permissible by applicable law and the Governing Documents, no external items such as, but not limited to, television and radio antennas, satellite dishes, flag poles, clotheslines, wiring, air conditioning equipment, water softening equipment, fences, awnings, ornamental screens, screen doors, porch, patio, or Balcony enclosures, sunshades, lighting fixtures, walls, windows, skylights, landscaping and plantings, other than those provided in connection with the original construction of the Project, shall be constructed, erected, or maintained on the Project without the prior written approval of the Board.
- 10.8 **Window Covers.** The Board may adopt Rules requiring window covers, regulating the type, color, and design of window covers, and requiring prior approval of window coverings before installation. Absent Rules permitting otherwise, only curtains, drapes, shades, shutters, and blinds may be installed as window covers. No window shall be covered by paint, foil, sheets, or similar items.
- 10.9 **External Laundering.** Unless otherwise permitted by the Board or in the Rules, external laundering and drying of clothing and other items are prohibited.
- 10.10 **Outside Speakers and Amplifiers.** Except as permitted in the Rules and subject to any regulations in the Rules, no radio, stereo, broadcast, loudspeaker, or projection of sound or music on or directed to the outside of any Unit shall be permitted.
- 10.11 **Repairs.** No repairs of any detached machinery, equipment, or fixtures, including without limitation, motor vehicles, shall be made in the Project except as may be permitted by the Board in the Rules.

- 10.12 Unsightly Items. All rubbish, debris, unsightly materials, or similar objects of any kind shall be regularly removed from Units and shall not be allowed to accumulate therein or thereon. Trash and garbage shall be properly and promptly disposed of as provided for in the Rules.
- 10.13 Animals. Animals generally kept in households such as dogs, cats, birds, fish, hamsters, and ferrets may be kept in the Project subject to the rules and requirements of this Declaration. Unless otherwise provided for in the Rules, no more than a total combination of two dogs or cats may be kept in any Unit. No livestock, poultry, or reptiles, may be kept in any Unit. All animals are subject to the Rules adopted by the Board. Notwithstanding the foregoing, no animal may be kept within a Unit which: (1) is raised, bred, kept, or maintained for any commercial purposes; (2) causes a nuisance; or (3) in the good faith judgment of the Board, results in an annoyance or threat of injury, or is obnoxious to or unreasonably causes anxiety to other Owners or Occupants within the Project. The Board may exercise its judgment for specific animals even though others of the same breed or type are permitted to remain. All fecal matter shall be immediately cleaned up in the Project. The Board may adopt Rules adding further Terms and Conditions related to animals in the Association not inconsistent with this Declaration including but not limited to requirements for registration, weight limit, specific fees or deposits to Owners of Units that have animals, the use of leashes, noise and barking limitations, and limitations on the overall number of animals. In an effort to minimize anxiety and fear of the Owners generally or as may be otherwise required or beneficial for the Association to obtain insurance coverage, the Association may ban dogs of certain breeds (pure or partial) believed generally to be aggressive including but not limited to the following breeds, Pit Bull, Presa Canario, Chow Chow, Doberman Pinscher, Alaskan Malamute, and Rottweiler. At the time this Declaration is recorded, the current animals of any Owners shall be “grandfathered” and not subject to the this Section 10.13. The Association may request that Owners register their animals and maintain a list of all grandfathered animals.
- 10.14 Landscape Maintenance. Absent the adoption of a Rule allowing otherwise, no one may alter, change, or maintain any landscaping, plants, or other plantings in the Common Area without the written approval of the Board. In the event that the Board does allow an Owner to plant flowers, shrubs, or place other items in the Common Area, the Board may, as a condition of the approval, require the Owner to maintain such flowers, shrubs, or other item at the Owner’s own expense.
- 10.15 Floor Load. There shall be no floor load in excess of the weight for which the Unit was designed, unless special arrangements are made, and an engineering determination of floor load capacity in the areas of the heavy use is obtained by the Owner and approved in writing by the Board. It shall be the Owner’s responsibility to determine if any particular item exceeds the floor load capacity for a Unit.

10.16 Residential Occupancy.

- (a) No trade or business may be conducted in or from any Unit unless:
- 1) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell, from outside the residence;
 - 2) the business activity conforms to all zoning and legal requirements for the Project and the business activity;
 - 3) the business activity does not involve Persons coming onto the Project who do not reside in the Project or solicitation of Occupants or Owners of the Project;
 - 4) the business activity is consistent with the residential character of the Project and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other Occupants of the Project;
 - 5) the business activity is disclosed to the Board before business is commenced along with a description of the business activity, a statement of the amount of space required in the Unit for such activity, and a description of any impact on the Project;
 - 6) there is no commercial delivery of packages or mail other than deliveries consistent with typical residential use,
 - 7) the business activity will not result in the increase of the cost of any of the Association's insurance;
 - 8) All Owners of the Unit reside in the Unit, in which the business activity is conducted, for the entire time any business activity is conducted, (if an entity owns the Unit, all owners of the entity must reside in the Unit, if the unit is held in the name of a trustee for a trust, the beneficiary must reside in the Unit); and
 - 9) the Board's requests for information related to the business as necessary to determine compliance with this paragraph are responded to fully and completely as often as the Board shall determine in its discretion.
- (b) No Unit may be used as a time-share property.
- (c) Except as provided in this Section 10.16, no Unit may be used for any purpose other than a residential purpose.

10.17 No Subdivision or Timeshare of Units or Recording by Owners of Terms and Conditions. No Unit shall be split, subdivided, separated or timeshared into two or more Units or property interests (whether temporally or spatially), and no Owner of a Unit shall sell or lease part of a Unit. No subdivision Plat or covenants, conditions, or restrictions shall be recorded by any Owner or other Person with respect to any one Unit. No subdivision Plat or covenants, conditions, or restrictions related to any Unit or the Project shall be recorded on the Project unless the Board and/or Owners (as required in this Declaration) have first approved the Plat or the proposed covenants, conditions, or restrictions. Any

Plat or covenants, conditions, or restrictions recorded in violation of this Section 10.17 shall be null, void, and of no legal effect.

- 10.18 **Architectural Control.** No changes to anything outside of the boundary of Units shall be commenced, erected, maintained, made, or done without the prior written approval of the Board or any Committee established by the Board for that purpose. By way of illustration, but not of limitation, the following are considered changes outside the boundary of a Unit: painting of the exterior of the Building; landscaping; excavation; Balcony covers; changing or modifying screens, changing doors leading to Balconies or Hallways; modifying the exterior surface of doors to Balconies, Common Area, or Hallways; the addition or modification of an evaporative cooler, fireplace, stove, or other vent or exhaust, chimney, skylight, solar collector, shade screen, or awning; exterior window coating or tinting; window replacement; decorative alterations to the exterior of any Unit; and other work that in any way alters the appearance of the Project from anywhere outside of a Unit (not including changes made in and to a Unit visible through windows). The Board may designate the design, style, model and manufacturer of any such improvement or alteration. Such designations shall be for the purpose of achieving uniformity of appearance which is hereby deemed and agreed to be necessary to preserve and enhance the value of Units and the Project.
- 10.19 **Lighting.** Lighting fixtures outside of Units shall be allowed only to the extent approved by the Board.
- 10.20 **Variances.** The Board may, at its option and in extenuating circumstances, grant variances from the Terms and Conditions set forth in this Article 10 if the Board determines in its discretion (by unanimous vote): (a) either (i) that the Term and Condition would create an unreasonable hardship or burden on an Owner or Occupant, or (ii) that a change of circumstances since the recordation of this Declaration has rendered such Term and Condition obsolete and unreasonable to enforce; and (b) that the activity permitted under the variance will not have any financial effect or any other substantial adverse effect on the Owners or Occupants of the Project and is consistent with the high quality of life intended for residents of the Project. Any such variance shall be unenforceable and without any effect whatsoever unless reduced to writing and signed by every member of the then existing Board.

10.21 Hazardous Substances.

- (a) The Owners shall comply with applicable Environmental Laws (as defined below), and shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances (as defined below), on or within the Project, that are not properly possessed, controlled, safeguarded, and disposed of. The Owners shall not do, nor allow anyone else to do, anything affecting the Project that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Project of small quantities of Hazardous Substances that are generally recognized to be appropriate to the maintenance of a Unit or the Project.
- (b) Each Owner shall indemnify, defend and hold the Association and each and every other Owner harmless from and against any and all claims and proceedings (whether brought by private party or governmental agency) for bodily injury, property damage, abatement or remediation, environmental damage or impairment, or any other injury or damage resulting from or relating to any Hazardous Substances located under or upon or migrating into, under, from or through the Project, which the Association or the other Owners may incur due to the actions or omissions of an indemnifying Owner. The foregoing indemnity shall apply: (i) when the release of the Hazardous Substances was caused by an indemnifying Owner or an Occupant; and (ii) whether or not the alleged liability is attributable to the handling, storage, generation, transportation or disposal of Hazardous Substances on the Project. The obligations of each Owner under this Section 10.21 shall survive any subsequent transfers of the Unit (voluntary or otherwise).
- (c) As used in this Section 10.21, "Hazardous Substances" are those substances defined as a toxic or hazardous substance by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde and radioactive materials. As used in this Section 10.21, "Environmental Law" means federal laws and laws of the jurisdiction where the Project is located that relate to health, safety or environmental protection.

ARTICLE 11 INSURANCE

- 11.1 Insurance Requirement. The Association shall obtain insurance as required in this Declaration and as required by applicable law. The Association may obtain insurance that provides more or additional coverage than the insurance required in this Declaration. Different policies may be obtained from different insurance carriers and standalone policies may be purchased instead of or in addition to embedded, included coverage, or endorsements to other policies.

11.2 Annual Insurance Report. Not later than sixty (60) days prior to the annual meeting of the Association, the Association may obtain a written report by an independent and experienced insurance broker, agent, or consultant (who may be the insurance provider/agent/broker used by the Association), with specific knowledge and experience in the community association insurance industry, setting forth: (1) a summary description of the insurance coverage obtained by the Association, including the dollar amounts of any such coverage, and any material exceptions, exclusions, and limitations on such coverage; (2) whether, in the opinion of such broker or consultant, the insurance coverage in effect for the Association complies with the requirements of this Declaration and the law; (3) a description of any earthquake insurance and material exclusions and limitations for that coverage and if no earthquake insurance is obtained, a conspicuous clear statement in both bold and uppercase letters stating: “NO EARTHQUAKE INSURANCE HAS BEEN OBTAINED BY THE ASSOCIATION,” and (4) a description of any flood insurance and material exclusions and limitations for that coverage and if no flood insurance is obtained, a conspicuous clear statement in both bold and uppercase letters stating: “NO FLOOD INSURANCE HAS BEEN OBTAINED BY THE ASSOCIATION.” The report shall also set forth any recommendations or suggestions from the insurance professional regarding current policy provisions, deductibles, exceptions, exclusions, and for additional insurance suggested or recommended for the protection of the Owners in light of the insurance then available and the best practices with respect to other similar projects. If obtained, the most recent annual insurance report shall be distributed to the Owners at or before the annual meeting of the Association and shall be provided to any Owner at any other time upon request. If the report is distributed to Owners at the annual meeting, a copy shall also be mailed to Owners not personally in attendance within thirty (30) days of the meeting.

11.3 Property Insurance.

(a) Hazard Insurance.

(1) Blanket Policy of Property Insurance. The Association shall maintain a blanket policy of property insurance covering the entire Project, including the Common Area and all buildings including all Units, fixtures, and building service equipment.

- (i) The blanket policy shall exclude land and other items not normally and reasonably covered by such policies. The blanket policy shall be an “all in” or “all inclusive” insurance as those terms are used in the insurance industry and shall include insurance for any fixture, improvement, or betterment installed in or to the Unit or any Limited Common Areas or otherwise permanently part of or affixed to Common Areas, Units, or Limited Common Areas, including but not limited to floor coverings, cabinets, light fixtures, electrical fixtures, heating and plumbing fixtures, paint, wall coverings, windows.

- (ii) At a minimum, the blanket policy shall afford protection against loss or damage by: (1) fire, windstorm, hail, riot, aircraft, vehicles, vandalism, smoke, and theft; and (2) all perils normally covered by “special form” property coverage.
 - (iii) The blanket or guaranteed replacement cost policy shall be in an amount not less than one hundred percent (100%) of current replacement cost of all property covered by such policy (including the Units) at the time the insurance is purchased and at each renewal date. The actual replacement cost of the property shall be determined by using methods generally accepted in the insurance industry.
 - (iv) The blanket policy shall include either of the following endorsements to assure full insurable value replacement cost coverage: (1) a Guaranteed Replacement Cost Endorsement under which the insurer agrees to replace the insurable property regardless of the cost; or (2) a Replacement Cost Endorsement under which the insurer agrees to pay up to one hundred percent (100%) of the property’s insurable replacement cost but not more. If the policy includes a coinsurance clause, it must include an Agreed Amount Endorsement which must waive or eliminate the requirement for coinsurance.
 - (v) Each property policy that the Association is required to maintain shall also contain or provide for the following: (1) “Inflation Guard Endorsement,” if available; (2) “Building Ordinance or Law Endorsement,” (the endorsement must provide for contingent liability from the operation of building laws, demolition costs, and increased costs of reconstruction); and (3) “Equipment Breakdown,” if the project has central heating or cooling or other equipment or other applicable fixtures, equipment, or installations, which shall provide that the insurer’s minimum liability per accident at least equals the lesser of two million dollars (\$2,000,000) or the insurable value of the building containing the equipment.
- (b) Owner Responsibility for Payment of Deductible. If a loss occurs that is covered by a property insurance policy in the name of the Association and another property insurance policy in the name of an Owner:
- (1) the Association's policy provides primary insurance coverage; and
 - (2) notwithstanding Subsection 11.3(b)(1) and subject to Subsection 11.3(b)(3):
 - (i) the Owner is responsible for the Association's policy deductible; and

- (ii) building property coverage, often referred to as Coverage A, of the Owner's policy, if any, applies to that portion of the loss attributable to the Association's policy deductible.
- (3) (i) As used in this Subsection (3):
- (A) "Covered Loss" means a loss, resulting from a single event or occurrence that is covered by the Association's property insurance policy.
- (B) "Unit Damage" means damage to any combination of a Unit or a Limited Common Area appurtenant to a Unit.
- (C) "Unit Damage Percentage" means the percentage of total damage resulting in a covered loss that is attributable to Unit Damage.
- (ii) An Owner who owns a Unit that has suffered Unit Damage as part of a Covered Loss is responsible for an amount calculated by applying the Unit Damage Percentage for that Unit to the amount of the deductible under the association's property insurance policy.
- (iii) If an Owner does not pay the amount required under Subsection (11.3)(b)(3)(ii) within thirty (30) days after substantial completion of the repairs to, as applicable, the Unit or the Limited Common Area appurtenant to the Unit, the Association may levy an assessment against the Owner for that amount.
- (c) Flood Insurance.
- (1) If any part of the Project is or comes to be situated in a Special Flood Hazard Area as designated on a Flood Insurance Rate Map, a policy of flood insurance shall be maintained covering the Project or, at a minimum, that portion of the Project located within the Special Flood Hazard Area. That policy shall cover any machinery and equipment that are not part of a building and all Common Area within the Project ("Insurable Property") in an amount deemed appropriate, but not less than the lesser of: (i) the maximum limit of coverage available under the National Flood Insurance Program for the Insurable Property within any portion of the Project located within a designated flood hazard areas; or (ii) one hundred percent (100%) of the insurable value of the Insurable Property.
- (2) If the Project is not situated in a Special Flood Hazard Area, the Association may nonetheless, at the discretion of the Board, purchase flood insurance to cover water and flooding perils not otherwise covered by blanket property insurance.
- (d) Earthquake Insurance. The Association may purchase earthquake insurance as the Board deems appropriate. If the Board elects not to purchase earthquake insurance, a vote of the Owners present at the annual meeting, with a proper quorum, should be taken to confirm this decision. If the Owners at the annual

meeting vote to purchase earthquake insurance, the Association shall purchase earthquake insurance within sixty (60) days of the vote.

- (e) Association's Obligation to Segregate Property Insurance Deductible. The Association shall keep in a segregated bank account an amount equal to the Association's property insurance policy deductible or \$10,000, whichever is less. This requirement shall not apply to any earthquake or flood insurance deductible.
- (f) Association's Right to Not Tender Claims That Are Under the Deductible. If, in the exercise of its business judgment, the Board determines that a covered loss is likely not to exceed the Association's property insurance policy deductible, and until it becomes apparent the covered loss exceeds the Association's property insurance deductible, and a claim is submitted to the Association's property insurance insurer: (i) the Owner's policy is considered the policy for primary coverage for any loss to the Owner's Unit, to the amount of the Association's policy deductible; (ii) the Association is responsible for any loss to any Common Area; (iii) an Owner who does not have a policy to cover the damage to that Owner's Unit is responsible for that damage and the Association may, as provided in section 11.3(b)(3)(iii), recover any payments the Association makes to remediate that Unit; and (iv) the Association need not tender the claim to the Association's insurer.
- (g) Notice Requirement for Deductible. The Association shall provide notice to each Owner of the Owner's obligation under Subsection 11.3(b) for the Association's policy deductible and of any change in the amount of the deductible. If the Association fails to provide notice of the initial deductible, it shall be responsible for the entire deductible in case of any loss. If the Association fails to provide notice of any increase in the deductible, it shall be responsible for paying any increased amount that would otherwise have been assessed to the Owner. The failure to provide notice shall not invalidate or affect any other provision in this Declaration.

11.4 Comprehensive General Liability (CGL) Insurance. The Association shall obtain CGL insurance insuring the Association, the agents and employees of the Association, and the Owners, against liability incident to the use, repair, replacement, maintenance, or ownership of the Common Area and the Owner's membership in the Association. The coverage limits under such policy shall not be less than two million dollars (\$2,000,000) covering all claims for death of or injury to any one Person or property damage in any single occurrence. Such insurance shall contain a Severability of Interest Endorsement or equivalent coverage which would preclude the insurer from denying the claim of an Owner because of the negligent acts of the Association or another Owner.

- 11.5 **Director's and Officer's Insurance.** The Association shall obtain Directors' and Officers' liability insurance protecting the Board, the officers, and the Association against claims of wrongful acts, mismanagement, failure to maintain adequate reserves, failure to maintain books and records, failure to enforce the Governing Documents, and breach of contract (if available). This policy shall: (1) include coverage for volunteers and employees, (2) include coverage for monetary and non-monetary claims, (3) provide for the coverage of claims made under any fair housing act or similar statute or that are based on any form of discrimination or civil rights claims, and (4) provide coverage for defamation. At the discretion of the Board, the policy may also include coverage for any Manager and any employees of the Manager and may provide that such coverage is secondary to any other policy that covers the Manager or any employees of the Manager.
- 11.6 **Insurance Coverage for Theft and Embezzlement of Association Funds.** The Association shall obtain insurance covering the theft or embezzlement of funds that shall: (1) provide coverage for an amount of not less than the sum of three months regular Assessments in addition to the prior calendar year's highest monthly balance on all operating and reserve funds, and (2) provide coverage for theft or embezzlement of funds by: (a) Officers and Board members of the Association, (b) employees and volunteers of the Association, (c) any Manager of the Association, and (d) officers, directors, and employees of any Manager of the Association.
- 11.7 **Workers' Compensation Insurance.** The Association shall purchase and maintain in effect workers' compensation insurance for all employees of the Association to the extent that such insurance is required by law and may purchase workers compensation insurance even if the Association has not employees, as the Board deems appropriate.
- 11.8 **Certificates.** Any insurer that has issued an insurance policy to the Association shall issue a certificate of insurance to the Association and upon written request, to any Owner or Lender.
- 11.9 **Named Insured.** The named insured under any policy of insurance shall be the Association. Each Owner shall also be an insured under all property and CGL insurance policies.
- 11.10 **Association's Right to Negotiate All Claims and Losses and Receive Proceeds.** The Association shall have the right to negotiate all claims and losses and to receive any proceeds from the Association's insurance policies. Insurance proceeds for a loss under the Association's property insurance policy shall be payable to an Insurance Trustee if one is designated, or to the Association; and shall not be payable to a holder of a security interest. An Insurance Trustee, if any is appointed, or the Association shall hold any insurance proceeds in trust for the Association, Owners, and lien holders. Insurance proceeds shall be disbursed first for the repair or restoration of the damaged property, if the property is to be repaired and restored as provided for in this Declaration. After any repair or restoration is complete and if the damaged property has been completely repaired or restored, any remaining proceeds shall be paid to the Association. If the property is not to be repaired or restored, then any proceeds remaining after such action

as is necessary related to the property has been paid for, shall be distributed to the Owners and lien holders, as their interests remain with regard to the Units. The cost of repair or replacement of any Unit in excess of insurance proceeds and reserves is a Common Expense to the extent the Association is required under this Declaration or the law to provide insurance coverage for the Unit. The cost of repair or replacement of any Common Area in excess of insurance proceeds and reserves is a Common Expense. Each Owner hereby appoints the Association, or any Insurance Trustee, as attorney-in-fact for the purpose of negotiating all losses related thereto, including: the collection, receipt of, and appropriate disposition of all insurance proceeds, the execution of releases of liability, and the execution of all documents and the performance of all other acts necessary to administer such insurance and any claim. This power-of-attorney is coupled with an interest, shall be irrevocable, and shall be binding on any heirs, personal representatives, successors or assigns of an Owner.

- 11.11 Insurance Trustee. At the discretion of the Board or upon written request executed by Owners holding 50% or more of the Undivided Interests, the Board shall hire and appoint an insurance trustee ("Insurance Trustee"), with whom the Association shall enter into an insurance trust agreement, for the purpose of taking such action as the Owners or Board (as the case may be) shall require related to a loss and receipt or potential receipt of insurance proceeds.
- 11.12 Owner Act Cannot Void Coverage Under Any Policy. Unless an Owner is acting within the scope of the Owner's authority on behalf of the Association and under direct authorization of the Association to terminate an insurance policy, an Owner's act or omission may not void an insurance policy or be a condition to recovery under a policy.
- 11.13 Waiver of Subrogation against Owners and the Association. All property and CGL policies must contain a waiver of subrogation by the insurer as to any claims against the Association, the Owners, any person residing with an Owner if an Owner resides in the Unit, and the Association's agents and employees.
- 11.14 Right of Action. Nothing in this Declaration shall prevent an Owner suffering a loss as a result of damage to property from asserting a claim, either directly or through subrogation, for the loss against a Person at fault for the loss.
- 11.15 Applicable Law. This Declaration is specifically subjecting the Association to the insurance requirements and provisions in 2011 Senate Bill 167 (the final version as enacted by the legislature) that became law in 2011, along with any updates adopted in 2013, and any amendments thereto and thereafter enacted by law. It is the intent of this provision that any future changes to the insurance law applicable to community associations shall apply to this Association.

ARTICLE 12
DESTRUCTION OF IMPROVEMENTS

- 12.1 Reconstruction. In the event of partial or total destruction of any area of the Project, the Association shall promptly take the following actions:
- (a) Ascertain the cost of reconstruction by obtaining fixed price bids from at least two (2) reputable contractors, including the obligation to obtain performance and lien payment bonds. If the Board in good faith determines that none of the bids submitted under this Section reasonably reflect the anticipated reconstruction costs, the Board shall continue to attempt to obtain an additional bid that it determines reasonably reflects such costs. Such determination shall be made by the Board as soon as possible.
 - (b) The Board, or any Insurance Trustee if one is appointed, shall determine and liquidate the amount of insurance proceeds, if any, or establish a procedure by which any insurance proceeds shall be available for either a cash payment or for reconstruction.
 - (c) Engage the services of a reputable licensed architect to advise and consult with the Board or any Insurance Trustee on all actions and decisions necessary under this Article.
 - (d) If an appraisal of any or all Units is required under this Article, the Board shall select the appraiser and any appraisal relied upon by the Board shall be final and not subject to challenge by any Owner for purposes of this Article.
- 12.2 Insurance Proceeds Sufficient for Reconstruction. In case of fire or any other disaster and if insurance proceeds are sufficient to reconstruct the Building and all Units suffering damage therein, then the insurance proceeds shall be applied to reconstruct the Building and any Units suffering damage. As used herein, reconstructing the Building shall mean restoring the Building and Units to substantially the same condition in which they existed prior the fire or other disaster, with each Unit and the common elements having the same vertical and horizontal boundaries as before.
- 12.3 Insurance Proceeds Insufficient for Reconstruction. If insurance proceeds will be insufficient for reconstruction, the following shall apply:
- (a) If the cost of reconstruction is equal to or less than twenty-five percent (25%) of the estimated fair market value of all of the Units in the Project (prior to the damage and destruction), then the Association shall proceed forward with reconstruction applying any insurance proceeds as provided for in Section 12.2. The cost of reconstruction in excess of insurance proceeds and reserves shall be a common expense.
 - (b) If the cost of reconstruction is greater than twenty-five percent (25%) of the estimated fair market value of all of the Units in the Project (prior to the damage

and destruction), then the Board shall call a special meeting of the Owners for the purpose of voting on whether to reconstruct or not.

- (c) If the Owners, by a vote at such meeting of not less than seventy-five percent (75%) of the Undivided Interests, decide not to proceed with such reconstruction:
- (1) The Property shall be deemed to be owned in common by the unit owners;
 - (2) The undivided interest in the Property owned in common which shall appertain to each Owner shall be the Owners' Undivided Interest as determined in this Declaration;
 - (3) 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 Owners in the Property;
 - (4) The Property shall be subject to an action for partition at the suit of any Owner, in which event the net proceeds of sale, together with the net proceeds of the insurance, if any, shall be considered as one fund and shall be divided among all the Owners in a percentage equal to the percentage of the undivided interest owned by each Owner in the Property, after first paying out of the respective shares of each Owner, to the extent sufficient, all liens on the undivided interest in the Property owned by each Owner.
- (d) Unless Owners holding more than seventy-five percent (75%) of the Undivided Interests vote to not proceed with reconstruction, the Association shall proceed with reconstruction as provided for in Section 12.3(a).

ARTICLE 13 EMINENT DOMAIN

- 13.1 Total Taking of a Unit. If a Unit is taken by eminent domain, or sold under threat thereof, or if part of a Unit is taken by eminent domain, or sold under threat thereof, leaving the Owner with a remnant that may not be practically or lawfully used for any purpose permitted by this Declaration, the award must compensate the Owner for the Owner's Unit and Undivided Interest in the Common Area, regardless of whether any Common Area is taken. Upon such a taking, unless the decree otherwise provides, that Unit's Undivided Interest in the Common Area shall automatically be reallocated to the remaining Units in proportion to their respective interests immediately before the taking. Upon such a taking, the Association shall prepare, execute and record an amendment to the Declaration that accomplishes the adjustment required for this section. Any remnant of a Unit remaining after part of a Unit is taken shall become part of the Common Area.

- 13.2 Partial Taking of a Unit. Except as provided in Section 13.1, if part of a Unit is taken by eminent domain, or sold under threat thereof, so that such Unit may still be practically and lawfully used under this Declaration, the award must compensate the Owner for the reduction in the value of the Owner's Unit and Undivided Interest in the Common Area, regardless of whether any Common Area is taken. Upon such a taking, unless the decree otherwise provides, that Unit's Undivided Interest in the Common Area shall remain the same, but if the decree provides for a reduction of the Undivided Interest for such Unit, the reduced amount shall automatically be reallocated to that Unit and the remaining Units in proportion to their respective Undivided Interests immediately before the taking, with the partially acquired Unit participating in the reallocation on the basis of its reduced Undivided Interest.
- 13.3 Taking of Limited Common Area. If the portion of the Project taken by eminent domain, or sold under threat thereof, is comprised of or includes any Limited Common Area or portion thereof, the portion of the award attributable to the Limited Common Area so taken shall be divided among the Owners of the Units to which such Limited Common Area was allocated or assigned at the time of the acquisition.
- 13.4 Taking of Common Area. If the portion of the Project taken by eminent domain, or sold under threat thereof, is not comprised of or includes any Unit or Limited Common Area, the Board shall, as soon as practicable, cause the award to be utilized for the purpose of repairing or restoring that area in the Project adjacent to the taking, and the portion of the award not used for restoration shall be added to the general funds of the Association.
- 13.5 Taking of Entire Project. In the event the Project, in its entirety, is taken by eminent domain, or sold under threat thereof, the Project is terminated and the provisions related thereto in this Declaration shall apply.
- 13.6 Priority and Power of Attorney. Nothing contained in this Article 13 shall entitle an Owner to priority over any Lender under a lien encumbering the Owner's Unit as to any portion of any condemnation award allocated to such Unit. Each Owner hereby appoints the Association as attorney-in-fact for the purpose of negotiations and settlement with the condemning authority for the acquisition of the Common Area, or any part thereof. In the event the taking involves all or part of any Unit or the Common Area or Limited Common Area, the award or proceeds shall be payable to the Association for the use and benefit of the Owners and their Lenders as their interests may appear. This power-of-attorney is coupled with an interest, shall be irrevocable, and shall be binding on any heirs, personal representatives, successors or assigns of an Owner.

**ARTICLE 14
TERMINATION**

- 14.1 **Required Vote.** The Project may be terminated only by the approval of Owners holding all of the Undivided Interests or as otherwise provided in Article 13.
- 14.2 **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. 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 the records of the County Recorder in Salt Lake County, Utah and is effective only on recordation.
- 14.3 **Sale of Project.** A termination agreement may provide that the entire Project shall be sold following termination. If, pursuant to such 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.
- 14.4 **Association Duties.** The Association, on behalf of the Owners, may contract for the sale of real estate in the Project, provided that the contract is conditioned on the termination of the Project. The contract is not binding on the Owners until approved pursuant to Sections 14.1 and 14.2 of this Declaration. 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 affect 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. Unless otherwise specified in the termination agreement, as long as the Association holds title to the real estate, each Owner and his or her 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 his or her successors in interest remain liable for all Assessments and other obligations imposed on Owners by this Declaration.
- 14.5 **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 Lenders as their interests may appear. Proceeds of the sale shall be distributed to Owners and Lenders as their interests may appear, based on the relative value of each Unit. The interest of any Owner in such proceeds shall not be distributed to such Owner except upon the prior payment in full of any Assessment lien or lien of a Lender encumbering such proceeds. Following termination, Lenders holding notes on the Units that were recorded before termination may enforce those liens in the same manner as any lien holder. The value of each Unit for purposes of distributing proceeds shall be determined by an appraisal of each Unit, conducted by an independent appraiser selected by the Board. If any Owner disputes the appraised amount, the Owner shall notify the Association of the dispute within 10 days of receiving notice of the value of that Owner's

unit. Upon timely notice of a dispute, the Owner shall select an appraiser who shall jointly with the Association's appraiser select a third appraiser to appraise the Unit. That appraisal shall be final as to the value of the Unit, regardless of whether it is lower or higher than the original appraisal. The Owner shall pay for the final appraisal.

- 14.6 Allocation upon Termination. Unless provided otherwise herein, upon any liquidation or termination of all or part of the Project, the Association shall represent the Owners in any proceedings, negotiations, settlements or agreements related thereto. Each Owner hereby appoints the Association as attorney-in-fact for such purpose, including the allocation of any losses, awards or proceeds resulting from such termination or liquidation. Any proceeds generated by such a termination or liquidation shall be made payable to the Association, which will hold such proceeds for the benefit of the Owners and their Lenders.

ARTICLE 15 AMENDMENTS

- 15.1 General Amendment Requirements. Except as otherwise provided herein, this Declaration may be amended by the affirmative vote of Owners holding Undivided Interests totaling not less than sixty percent (60%) of the total Undivided Interest. The vote must occur in a meeting of the Owners held for that purpose. The vote of approval of any one Owner of a Unit is sufficient if there are multiple Owners of the Unit.
- 15.2 Scope of Amendments. This Declaration may be amended to add new rights, restrictions, and obligations, or to remove or modify existing rights, restrictions, and obligations. The right to amend shall be broadly construed to permit any change to the rights, restrictions, obligations, and other terms in the Declaration.
- 15.3 Execution and Effective Date of Amendments. An amendment that has been adopted as provided herein shall be executed by the Board, through its agent, who shall certify that the amendment has been approved and adopted and that the procedures and requirements necessary to amend the Declaration have been complied with. The amendment shall be effective when it is recorded in the office of the County Recorder of Salt Lake County, Utah.
- 15.4 Changes to Plat or Boundaries of the Association. The Association may adopt an amended Plat, supplemental Plat, correction to the Plat, or boundary agreement related to any boundary in or around the Project, including any boundary to any Unit or Units upon the approval by vote of sixty percent (60%) of Owners in the same manner as required to amend this Declaration. Any such Plat may make material changes to the existing or prior Plat including the addition or removal of amenities, increasing the size of Units, deleting, adding, or modifying Common Area or Limited Common Area, or other changes in the layout of the Project. If any such amendment affects any boundary of a Unit or Limited Common Area, that Unit Owner must consent. If the approval required herein is obtained, each and every Owner: (1) shall sign, consent to, and execute any further documents required for the finalization, recording, and/or governmental approval of any such

document regardless of whether they approved of or consented to the change in the Plat, and (2) grants the Association power of attorney to sign necessary documents on that Owner's behalf as necessary for the agreement, amendment, or correction.

15.5 Amendment to Conform to Law. The Board may, without the approval of the Owners, amend this Declaration to conform the Declaration to any applicable legal requirements otherwise applicable to the Association, but only to the extent necessary to eliminate any conflict with the law, to add provisions required by law, or to add provisions that embody rights or obligations otherwise binding on the applicable parties as a matter of law. This procedure may also be used to change the Declaration to add or conform to any requirements necessary for Owners to obtain government insured or guaranteed financing such as through VA, FHA, FNMA or similar programs or to comply with any directive of any federal, state, or local government agency. The following procedures and requirements must be complied with for any such amendment:

- (a) The Association must obtain from an attorney who has a significant experience and a regular practice in area of Community Association law and who may be the Association's current counsel, a written opinion explaining in detail and opining that the proposed amendment may be sought pursuant to this section.
- (b) The members of the Board must unanimously agree to the amendment at the time it is recorded.
- (c) The Board must provide to the Owners: (1) the proposed amendment instrument, (2) the language of this section of the Declaration, (3) the law that conflicts with the existing Declaration language or the provisions that must be complied with to permit owners to obtain financing, (4) the attorney opinion letter required for the amendment, and (5) a notice in which the Association: (a) notifies the Owner that it intends to amend the Declaration pursuant to this section, (b) provides the Owner a right to object to the amendment within thirty (30) days, and (c) provides instructions on how, when, and where to properly make the objection. The Board may include further explanation, information, and recommendations regarding the proposed amendment in the information provided to the Owners.
- (d) Within forty-five (45) days of providing the information to the Owners required by this section, not more than thirty percent (30%) of the Owners object to the amendment in a written notice to the Association.
- (e) Having otherwise complied with all of the requirements of this section, the Board members shall each sign the amendment instrument verifying that this section has been complied with to the best of their knowledge and that no more than thirty percent (30%) of the Owners objected after having received proper notice. The amendment shall be effective upon the recording of the instrument in the office of the recorder of Salt Lake County.

- 15.6 Consent of Two-Thirds Owners to Alter Undivided Interests. Notwithstanding anything to the contrary herein, the consent of two-thirds of the Owners shall be required to alter any Undivided Interest.

**ARTICLE 16
INTERPRETATION, CONSTRUCTION, AND APPLICATION
OF DECLARATION**

- 16.1 No Waiver. Failure by the Association or by any Owner to enforce any Term and Condition in any certain instance or on any particular occasion shall not be deemed a waiver of such right of enforcement as to that breach and any such future breach of the same or any other Term and Condition.
- 16.2 Conflicting Provisions. Unless otherwise provided for in the Act, in the case of any conflict between the Governing Documents, the order of priority from the highest to the lowest shall be the Declaration, the Articles, the Bylaws, and then the Rules. The Declaration shall take priority over the Plat.
- 16.3 Interpretation of Declaration and Applicability of the Act. The Project shall be governed by the Act, except where (in compliance with the Act) the Association has included specific provisions in this Declaration that legally vary, supersede, or supplement the Act, in which event such specific provisions of this Declaration that are contrary to the Act shall govern the Project to the extent allowed by the Act. In the case of any conflict between this Declaration and the Act, to the extent the Act does not legally allow this Declaration to contain provisions contrary to the Act, the Act shall control and this Declaration shall be deemed modified accordingly, but only to the extent necessary to come into compliance with the Act.
- 16.4 Cumulative Remedies. All rights, options, and remedies of the Association and the Owners in the Governing Documents are cumulative, and none shall be exclusive of any other, and the Association and the Owners shall have the right to pursue any one or all of such rights, options and remedies or any other remedy or relief that may be provided by law; simultaneously, consecutively, or alternatively.
- 16.5 Severability. Invalidation of any one or a portion of the Terms and Conditions by judgment or court order shall in no way affect any other Terms and Conditions, all of which shall remain in full force and effect.
- 16.6 Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a plan for the development of a residential community and for the maintenance of the Project. The article and section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction. References in this Declaration to article and section numbers, unless otherwise expressly provided, are to the article and section in this Declaration. To the extent permitted by law, the provisions of the Governing Documents

shall not be interpreted for or against or strictly for or against the Association, any Owner, or any other Person subject to their terms.

- 16.7 **Applicable Law.** This Association is specifically made subject to the Act and the law as it is constituted and exists at the time this Declaration is recorded. Amendments to the Act after the date of recording of this Declaration shall not be applicable to the Association or the Project unless they are applicable as a matter of law or unless the Association makes those amendments applicable by amendment to the Declaration.
- 16.8 **Gender and Number.** Whenever the context of the Governing Documents require, the singular shall include the plural, and vice versa, and the masculine shall include the feminine and the neuter, and vice versa.
- 16.9 **Effect of Declaration.** This Declaration is made for the purposes set forth in the recitals in this Declaration, and the Association makes no warranties or representations, express or implied, as to the binding effect or enforceability of all or any portion of this Declaration, or as to the compliance of any of these provisions with public laws, ordinances, regulations and the like applicable thereto. The Association shall have no liability whatsoever if any Term and Condition is determined to be unenforceable in whole or in part for any reason.

ARTICLE 17 NOTICE

- 17.1 **Notices.** Any notice to be given to an Owner, a Lender, or the Association under the provisions of the Governing Documents shall be in writing and shall be delivered as follows:
- (a) **Notice to an Owner from the Association.**
- (1) Notice to an Owner shall be effective upon the satisfaction of any of the following delivery methods:
- (i) by a written notice delivered personally to the Owner, which shall be effective upon delivery;
 - (ii) by a written notice placed in the first-class United States mail, postage prepaid, to the most recent address furnished by such Owner in writing to the Association for the purpose of giving notice, or if no such address shall have been furnished, then to the street address of such Owner's Unit. Any notice so deposited in the mail shall be deemed delivered seventy-two (72) hours after such deposit;
 - (iii) by written e-mail correspondence to an Owner: (1) that is sent to an e-mail address provided by the Owner for the purpose of Association communications, or (2) that is emailed to an e-mail address from which the Owner has communicated related to Association matters, and so long as no indication is received that the e-mail may not have been delivered.

Any notice sent by e-mail shall be deemed delivered seventy-two (72) hours after it is sent. The Association shall comply with any notice from an Owner that an email address is no longer being used or that designates an alternative email address for use by the Association;

(iv) by facsimile (whether to a machine or to an electronic receiving unit) to an Owner that is sent to a facsimile number provided by the Owner for the purpose of Association communications and so long as no indication is received that the facsimile may not have been delivered. Any notice sent by facsimile shall be deemed delivered seventy-two (72) hours after it is sent; or

(v) by any other method that is fair and reasonable as provided for in the Act or otherwise provided for by law.

(2) Notwithstanding Subsection (1) of this section, the Association shall send all notices by U.S. Mail if an Owner, by written demand, demands that the Association send all notices by mail.

(3) In the case of co-Owners, notice to one of the co-Owners is effective as notice to all such co-Owners. The Association shall not be required to give more than one notice per Unit, whether electronic or not. In case any two co-Owners send conflicting notice demands, notice shall be proper if mailed by first-class mail to the Unit.

(4) In case posting of a notice on the Unit is permitted, such posting is effective when posted on the front or primary access door to the Unit and any such posting may be removed by the Association the sooner of either (a) two (2) days after the event or action for which notice was given or (b) ten (10) days after the posting.

(b) Special Notice Prior to Association Entry into a Unit.

(1) In case of an emergency involving the potential loss of life, the Association's agent or representative may enter the Unit immediately and without any notice.

(2) In case of any emergency involving immediate and substantial damage to the Common Areas or to another Unit, before entering a Unit the Association shall: (i) knock on the door and attempt to obtain permission to enter from an Occupant or Owner in the Unit, (ii) if no one answers the knocking, loudly identify who is knocking and state that the Person identified is going to enter the Unit on behalf of the Association, then wait one minute, and (iii) where practicable under the circumstances, attempt to call the Owner or any Occupant prior to entry to inform them of the entry.

(3) If the Association enters a Unit for any purpose permitted in this Declaration other than those identified in the prior two paragraphs, before entering a Unit the Association shall: (i) give notice to the Owner that an entry is required at least two weeks in advance with such notice stating: (a) that the Association or its

authorized Persons will enter the Unit, (b) the date and time of the entry, (c) the purpose of entering the Unit, (d) a statement that the Owner or Occupant can be present during the time the Association is in the Unit, (e) the full names of any Person who will be entering into the Unit, and the phone numbers and addresses of the Persons entering the Unit or of the company for whom the Persons entering the Unit are employed for the purpose of entering the Unit, (f) any other information the Association deems appropriate to include; and (ii) post the written notice described above on the front door to the Unit at least seven days prior to entry into the Unit.

- (c) Notice to a Lender. Notice to a Lender shall be delivered by first-class United States mail, postage prepaid, to the most recent address furnished by such Lender in writing to the Association for the purpose of notice or, if no such address shall have been furnished, to any office of the Lender. Any address for a Lender that is found on a document recorded on the title of a Unit shall be deemed an office of the Lender. Any notice so deposited in the mail shall be deemed delivered seventy-two (72) hours after such deposit.
- (d) Notice to Association from an Owner.

(1) An Owner's notice to the Association shall be effective upon the satisfaction of any of the following delivery methods:

(i) By a written notice delivered personally to the Manager, which shall be effective upon delivery;

(ii) By a written notice placed in the first-class United States mail, postage prepaid, to the current registered business address of the Association. Any notice so deposited in the mail shall be deemed delivered seventy-two (72) hours after such deposit.

(iii) By written e-mail correspondence to the Association: (1) that is sent to an e-mail address provided by the Association in the prior twelve (12) months for the purpose of Association communications, or (2) that is emailed to an e-mail address from which the Manager or the President of the Association has communicated related to Association matters, and so long as no indication is received that the e-mail may not have been delivered or received. Any notice sent by e-mail shall be deemed delivered seventy-two (72) hours after it is sent.

(iv) By facsimile (whether to a machine or to an electronic receiving unit) to the Association that is sent to a facsimile number provided by the Association for the purpose of Association communications and so long as no indication is received that the facsimile may not have been delivered or received. Any notice sent by facsimile shall be deemed delivered seventy-two (72) hours after it is sent.

**ARTICLE 18
ATTORNEYS' FEES AND COSTS**

18.1 Legal Costs Associated with Disputes with Owners.

- (a) Owners Liable for Fees Incurred in Dispute. If the Association utilizes legal counsel to enforce any Term and Condition after notice to the Owner that it intends to enforce the Term and Condition or after the Owner communicates or demonstrates an intent not to comply with the Term and Condition, the Association may assess all reasonable attorneys' fees and costs associated with such enforcement to the Owner, regardless of whether a lawsuit is initiated or not.
- (b) Costs. The term "costs" as used in this section shall include all costs including copying costs, deposition costs, expert witness fees, investigative costs, service costs, and filing fees paid to courts. "Costs" is specifically defined in this Declaration to be broader and to include costs that are not included in costs, as the term is used in the Utah Rules of Civil Procedure.
- (c) Exception to Owner's Liability for Fees and Costs. If, related to (1) any dispute with an Owner, (2) any challenge by an Owner to a position of the Association on a Term and Condition, or (3) a request of an Owner for direction on the application of a Term and Condition: the Association incurs legal fees or costs related to the interpretation and application of a Term and Condition that: (1) the Association could not establish an initial position on without having incurred the fees and costs, or (2) results in a substantial modification to a prior position taken by the Association; then those fees or costs shall not be assessed to any Owner and shall be paid by the Association. This exception shall not apply if a lawsuit is pending with regard to the Owner and the issues arise as part of and during the lawsuit.

**ARTICLE 19
RESERVES**

19.1 Requirement for Reserves. The Association shall obtain a Reserve Analysis and maintain a reserve fund for the maintenance, repair, and replacement of the Common Area and Limited Common Area, in the amount determined by the Owners annually, pursuant to the following provisions:

- (a) Collection. Reserve funds may be collected as part of regular or special Assessments, as determined by the Owners.
- (b) Surplus Monies Applied to Reserves. The Association may retain surplus Association money as additional reserves rather than refund it to the Owners or credit it to future Assessments.

- (c) Segregation of Reserves. The Association shall segregate money held for reserves from regular operating and other accounts.
- (d) Reserve Analysis. The Association shall cause a Reserve Analysis with an onsite evaluation to be conducted no less frequently than every six (6) years. The Association shall review and, if necessary, update a previously conducted Reserve Analysis no less frequently than every three (3) years. The Reserve Analysis shall, at a minimum, estimate the need for and appropriate amounts for a reserve fund to accumulate money to cover the cost of repairing, replacing, and restoring Common Areas that have a useful life of three (3) years or more. The Reserve Analysis and updates shall project a minimum of thirty (30) years into the future.
- (e) Qualifications for Person Preparing Reserve Analysis. The Reserve Analysis report shall be prepared by a Person or Persons with (1) experience in current building technologies, (2) a solid working knowledge of building-cost estimating and life-cycle costing for facilities, and (3) the tools and knowledge to prepare a report. Preferably, the Person preparing the reserve study shall have the RS (Reserve Specialist) designation available through the Community Association Institute (CAI), the PRA (Professional Reserve Analyst) designation offered through the Association of Professional Reserve Analysts (APRA), or other designations by similar associations establishing that the Person has some formal training related to preparing a Reserve Analysis.
- (f) Disclosure and Approval at Annual Meeting. If required by law, annually, at a special meeting or at the annual meeting of Owners, the Association shall present the most recent Reserve Analysis and any updates to the Reserve Analysis, and provide an opportunity for Owners to discuss reserves and to vote on how to fund the reserves and in what amount. The Association shall prepare and keep minutes of each meeting held under this section and indicate in the minutes any decision relating to funding a reserve fund.

**ARTICLE 20
LEASING AND NON-OWNER OCCUPANCY**

- 20.1 Declaration and Rules Govern Non-Owner Occupancy. Notwithstanding anything to the contrary in this Declaration or in the Bylaws, any leasing and non-owner occupancy of a Unit shall be governed by this section and procedures adopted as allowed in this section.
- 20.2 Definitions. For the purpose of this section:
 - (a) “Non-Owner Occupied Unit” means:
 - (1) For a Unit owned in whole or in part by an individual or individuals, the Unit is occupied by someone when no individual Owner occupies the Unit as the individual Owner’s primary residence; or
 - (2) For a Unit owned entirely by one or more entities or trusts, the Unit is occupied by anyone.

- (b) "Family Member" means:
- (1) the parent, sibling, or child of an Owner and that family member's spouse and/or children, or
 - (2) in the case of a Unit owned by a trust or other entity created for estate planning purposes, a Person occupying the Unit if the trust or other estate planning entity that owns the Unit was created for the estate of (i) a current Occupant of the Unit; or (ii) the parent, child, or sibling of the current Occupant of the Unit.

20.3 All Units are permitted to be Non-Owner Occupied, subject to the provisions herein.

20.4 Permitted Rules. The Board may adopt Rules requiring:

- (a) reporting and procedural requirements related to Non-Owner Occupied Units and the Occupants of those Units including requiring informational forms to be filled out by Owners and/or residents identifying Non-Owner Occupants, vehicles, phone numbers, etc.;
- (b) reasonable fees related to the administration of leased and Non-Owner Occupied Units; and
- (c) other reasonable administrative provisions consistent with and as it deems appropriate to enforce the requirements of this Declaration.

20.5 Requirements for Leasing and Non-Owner Occupancy. The Owners of all Units must comply with the following provisions:

- (a) Any lease or agreement for otherwise allowable Non-Owner Occupancy must be in writing, must be for an initial term of at least twelve (12) months, and shall provide as a term of the agreement that the resident shall comply with the Declaration, the Bylaws, and the Rules, and that any failure to comply shall be a default under the lease or agreement. If a lease or agreement for Non-Owner Occupancy (whether in writing or not) does not include these provisions, they shall nonetheless be deemed to be part of the lease or agreement and binding on the Owner and the resident;
- (b) If required in the Rules or requested by the Board, a copy of any lease or other agreement for Non-Owner Occupancy shall be delivered to the Association within the time period provided for in the Rules or by the Board;
- (c) A Non-Owner Occupant may not occupy any Unit for transient, short-term (less than twelve months), hotel, resort, vacation, or seasonal use (whether for pay or not);

- (d) Daily and weekly occupation by Non-Owner Occupants is prohibited (whether for pay or not); and
- (e) The Owner(s) of a Unit shall be responsible for the resident's or any guest's compliance with the Declaration, Bylaws, and Rules. In addition to any other remedy for noncompliance with this Declaration, the Association shall have the right to initiate a forcible entry and unlawful detainer action, or similar such action, with the purpose of removing the offending Non-Owner Occupant. The Association, the Board, and the Manager shall not have any liability for any action taken pursuant to this subparagraph and the Owner shall indemnify and pay the defense costs of the Association, the Board, the Manager and any of their agents, arising from any claim related to any action taken in good faith by any of them pursuant to this subparagraph.

20.6 Exceptions for Family Members. If only Family Members occupy a Unit, then notwithstanding anything to the contrary herein,

- (a) Subsections 20.5(a) & 20.5(c) shall not apply to that occupancy;
- (b) No written agreement regarding occupancy needs to be created between the Family Member and the Owner; and
- (c) Any written agreement regarding occupancy, to the extent it exists, may not be requested by the Board until an Occupant has violated a provision of the Governing Documents and if requested, may only be requested related to remedying or taking action as a result of such a violation.

ARTICLE 21 GENERAL PROVISIONS

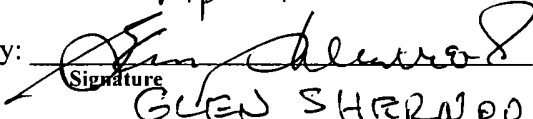
- 21.1 Enforcement. The Association or any Owner shall have the right to enforce, by proceedings at law or in equity, all Terms and Conditions including the right to prevent the violation of any such Terms and Conditions and the right to recover damages and other sums for such violation.
- 21.2 Nonliability of Officials. To the fullest extent permitted by applicable law, neither the Board nor any officer of the Association shall be liable to any Owner or the Association for any damage, loss, or prejudice suffered or claimed on account of any decision, approval or disapproval, course of action, act, omission, error or negligence.
- 21.3 Use of Funds Collected by the Association. All funds collected by the Association, including Assessments and contributions to the Association paid by the Owners, if any, shall be held by the Association in a fiduciary capacity to be expended in their entirety for nonprofit purposes of the Association in managing, maintaining, caring for and preserving the Common Area and for other permitted purposes as set forth in this Declaration. No part of said funds shall inure to the benefit of any Owner (other than as a result of the Association managing, maintaining, caring for and preserving the Common

Area and other than as a result of expenditures made for other permitted purposes as set forth in this Declaration).

- 21.4 **Owner Liability and Indemnification.** Each Owner shall be liable to the remaining Owners and to the Association for any damage to the Common Area that may be sustained by reason of the negligent or intentional act of that Owner or that Owner's guest or Occupant, to the extent such losses and damages are either under the Deductible of the Association or not covered by the Association's insurance. Each Owner, by acceptance of a deed to a Unit, agrees personally to indemnify each and every other Owner and Occupant and to hold such other Persons harmless from, and to defend such Persons against, any claim of any Person for personal injury or property damage occurring within the indemnifying Owner's Unit, including Limited Common Area, if any, except to the extent that: (a) such injury, damage, or claim is covered and defended by the Association's; or (b) the injury or damage occurred by reason of the intentional act of the Association.
- 21.5 **Consent, Power of Attorney, Waiver.** By acceptance of a deed, lease, or other conveyance of an interest in a Unit, each Owner or Occupant consents to the rights reserved to the Association in this Declaration, including but not limited to, the right to prepare, execute, file, process, and record necessary and appropriate documents and other items to establish and grant easements and to make necessary and appropriate amendments of this Declaration, the Plat and the Bylaws. By such acceptance, each Owner or Occupant agrees to execute all documents and to do all other things as may be necessary or convenient to effect the same; and such acceptance shall be deemed an appointment of the Association, with full right of substitution, as the attorney-in-fact of such Owner or Occupant to execute such documents and to do such things on such Owner's or Occupant's behalf; and such appointment, being coupled with an interest, shall be irrevocable for the specific period of the Association's reserved rights as set forth in this Declaration and shall not be affected by the disability of any such Owner or Occupant.
- 21.6 **Security.** The Association shall in no way be considered an insurer, guarantor, or provider of security from criminal conduct within or relating to the Project, including any Common Area that the Association may have an obligation to maintain. The Association shall not be held liable for any loss or damage by reason of criminal conduct arising for any reason including any failure to provide security or any ineffectiveness of security measures undertaken. Each and every Owner or Person entering the Project acknowledges that the Association has no duty to any Owner, guest, or Occupant related to security or criminal conduct and expressly acknowledges that no duty is owed to anyone such as that of a landlord or retail business. By purchasing a Unit in this Project and/or residing in this Project, Owners and Occupants agree that the Association and the Board are not insurers of the safety or well-being of Owners, guests, or Occupants or of their personal property as it relates to criminal conduct, and that each Owner, guest, or Occupant specifically waives any such claim and assumes all risks for loss or damage to Persons or property resulting from criminal conduct, to the extent any such damages are not covered by insurance.

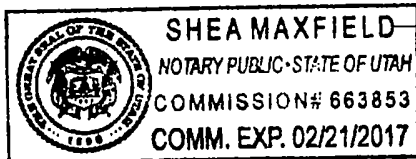
- 21.7 Reasonable Accommodations. Notwithstanding anything to the contrary in this Declaration, the Association, upon receipt of a written opinion from its counsel that such action is required, may make or permit reasonable accommodations or modifications to the Project that are otherwise prohibited by the Governing Documents, as required under Title VIII of the Civil Rights Act of 1968 (the Fair Housing Act) as amended, to accommodate a Person with a disability (as defined by Federal law at the time the accommodation is requested). Reasonable accommodations or modifications may include modifications to a Unit, the Common Area, the Limited Common Area, or the Building, or deviations from provision of the Governing Documents. Any such modification and accommodation made under this section shall not act as a waiver of the provisions of the Governing Documents with regard to anyone else.
- 21.8 No Representations and Warranties. EACH OWNER AND OCCUPANT UNDERSTANDS, AGREES, AND ACKNOWLEDGES THROUGH TAKING TITLE OR ENTERING OR RESIDING IN THE PROJECT THAT THE ASSOCIATION AND THE BOARD HAVE NOT MADE ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND RELATED TO THE PROJECT AND THAT EACH OWNER OR OCCUPANT HAS NOT RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO THE PROJECT.

Dated this 19th day of April, 2014.

By: 
Signature
GLEN SHERWOOD
Printed
 Its: HOA BOARD PRESIDENT

STATE OF UTAH)
) :ss
 COUNTY OF SALT LAKE)

On this 19th day of April, 2014, personally appeared before me Glenn Sherwood (Name of Document Signer), whose identity is personally known to me, (or proven on the basis of satisfactory evidence) and who by me duly sworn/affirmed, did say that he/she is the Board President (Title of Document Signer), of Aspen Springs Condominiums Association; and that said document was signed by him/her in behalf of said Corporation/Association by Authority of its Bylaws, or Resolution of its Board of Directors, and acknowledged to me that said Corporation/Association executed the same.




 Notary Public

EXHIBIT A

LEGAL DESCRIPTION

The following described real property, located in Salt Lake County, Utah, is the Parcel representing phase one of the Condominium Project:

Beginning at a point which lies South 00°16'17" West 1040.31 feet along the East section line and North 89°43'43" West 353.85 feet from the Northeast corner of Section 36, Township 3 South, Range 2 West, Salt Lake Base and Meridian; and traversing thence South 00°16'17" West 80.67 feet; thence South 67°01'19" West 139.34 feet to a point on a non-tangent curve to the left, having a radius of 230.50 feet and a central angle of 72°33'44"; thence Northwesterly along the arc of said curve a distance of 291.92 feet, said arc subtended by a chord bearing North 59°15'27" West, a distance of 272.80 feet to a point on a compound curve to the left, having a radius of 1.00 foot and a central angle of 90°28'11"; thence Southwesterly along the arc of said curve a distance of 1.58 feet, said arc subtended by a chord bearing South 39°00'45" West, a distance of 1.42 feet; thence South 06°06'08" East 18.99 feet; thence South 83°53'52" West 66.00 feet; thence North 06°06'08" West 19.00 feet to a point on a curve to the left, having a radius of 1.00 foot and a central angle of 90°28'11"; thence Northwesterly along the arc of said curve a distance of 1.58 feet, said arc subtended by a chord bearing North 51°18'51" West a distance of 1.42 feet; thence South 83°53'52" West 16.34 feet to a point on a curve to the left, having a radius of 21.00 feet and a central angle of 86°46'16"; thence Southwesterly along the arc of said curve a distance of 31.80 feet, said arc subtended by a chord bearing South 40°30'39" West, a distance of 28.85 feet; thence South 77°31'04" West 35.45 feet to a point on a non-tangent curve to the left, having a radius of 25.00 feet and a central angle of 51°46'27"; thence Northwesterly along the arc of said curve a distance of 22.59 feet, said arc subtended by a chord bearing North 29°40'04" West, a distance of 21.83 feet; thence North 88°24'32" West 62.68 feet to a point on a curve to the left, having a radius of 21.00 feet and a central angle of 50°09'02"; thence Southwesterly along the arc of said curve a distance of 18.38 feet, said arc subtended by a chord bearing South 66°30'53" West, a distance of 17.80 feet to a point on a non-tangent curve to the right, having a radius of 470.00 feet and a central angle of 07°19'49"; thence Northeasterly along the arc of said curve a distance of 60.13 feet, said arc subtended by a chord bearing North 01°35'28" East, a distance of 60.09 feet to a point on a non-tangent curve to the left, having a radius of 21.00 feet and a central angle of 50°09'02"; thence Southeasterly along the arc of said curve a distance of 18.38 feet, said arc subtended by a chord bearing South 63°19'57" East, a distance of 17.80 feet; thence South 88°24'32" East 63.98 feet to a point on a non-tangent curve to the left, having a radius of 25.00 feet and a central angle of 50°02'54"; thence Northeasterly along the arc of said curve a distance of 21.84 feet,

said arc subtended by a chord bearing North 33°44'05" East, a distance of 21.15 feet to a point on a reverse curve to the right, having a radius of 375.50 feet and a central angle of 03°10'44"; thence Northeasterly along the arc of said curve a distance of 20.83 feet, said arc subtended by a chord bearing North 10°16'31" East, a distance of 20.83 feet; thence North 11°51'53" East 0.40 feet; thence South 78°08'07" East 31.00 feet; thence North 11°51'53" East 4.10 feet to a point on a curve to the right, having a radius of 5.00 feet and a central angle of 89°58'58"; thence Northeasterly along the arc of said curve a distance of 7.85 feet, said arc subtended by a chord bearing North 56°51'59" East, a distance of 7.07 feet; thence South 78°08'07" East 19.00 feet; thence North 11°51'53" East 50.00 feet; thence South 87°24'00" East 58.87 feet; thence East 239.50 feet; thence South 00°24'57" West 55.96 feet to a point on a non-tangent curve to the right, having a radius of 54.00 feet and a central angle of 115°13'30"; thence Southeasterly along the arc of said curve a distance of 108.60 feet, said arc subtended by a chord bearing South 52°14'18" East, a distance of 91.20 feet; thence South 89°43'42" East 57.09 feet to the point of beginning.

The following described real property, located in Salt Lake County, Utah, is the parcel representing Phase Two of the Condominium Project:

Beginning at a point which lies South $00^{\circ}16'17''$ West 1120.98 feet along the East section line and North $89^{\circ}43'43''$ West 348.50 feet from the Northeast corner of Section 36, Township 3 South, Range 2 West, Salt Lake Base & Meridian; and traversing thence South $00^{\circ}16'17''$ West 171.84 feet; thence North $89^{\circ}43'43''$ West 6.94 feet; thence South $00^{\circ}05'48''$ West 117.08 feet; thence South $89^{\circ}54'12''$ East 16.91 feet; thence South $00^{\circ}05'48''$ West 104.17 feet; thence North $89^{\circ}54'10''$ West 134.99 feet to a point on a curve to the right, having a radius of 470.00 feet and a central angle of $11^{\circ}39'20''$, thence Northwesterly along the arc of said curve a distance of 95.61 feet, said arc subtended by a chord bearing North $84^{\circ}04'33''$ West, a distance of 95.45 feet, to a point on a non-tangent curve to the left, having a radius of 21.00 feet and a central angle of $50^{\circ}09'02''$, thence Northeasterly along the arc of said curve a distance of 18.38 feet, said arc subtended by a chord bearing North $33^{\circ}09'50''$ East, a distance of 17.80 feet; thence North $08^{\circ}05'14''$ East 1.41 feet to a point on a reverse curve to the right, having a radius of 122.50 feet and a central angle of $28^{\circ}50'56''$, thence Northeasterly along the arc of said curve a distance of 61.68 feet, said arc subtended by a chord bearing North $22^{\circ}30'40''$ East, a distance of 61.03 feet, to a point on a non-tangent curve to the left, having a radius of 15.00 feet and a central angle of $71^{\circ}08'09''$, thence Northwesterly along the arc of said curve a distance of 18.62 feet, said arc subtended by a chord bearing North $43^{\circ}48'03''$ West, a distance of 17.45 feet; thence North $48^{\circ}58'38''$ East 46.16 feet to a point on a non-tangent curve to the left, having a radius of 21.00 feet and a central angle of $66^{\circ}36'12''$, thence Northeasterly along the arc of said curve a distance of 24.41 feet, said arc subtended by a chord bearing North $62^{\circ}31'03''$ East, a distance of 23.06 feet, to a point on a compound curve to the left, having a radius of 230.50 feet and a central angle of $10^{\circ}16'02''$, thence Northeasterly along the arc of said curve a distance of 41.31 feet, said arc subtended by a chord bearing North $24^{\circ}03'47''$ East, a distance of 41.25 feet, to a point on a compound curve to the left, having a radius of 1.00 feet and a central angle of $92^{\circ}06'32''$, thence Northwesterly along the arc of said curve a distance of 1.61 feet, said arc subtended by a chord bearing North $26^{\circ}59'37''$ West, a distance of 1.44 feet; thence North $72^{\circ}49'05''$ West 18.98 feet to a point on a non-tangent curve to the left, having a radius of 210.50 feet and a central angle of $12^{\circ}41'47''$, thence Northeasterly along the arc of said curve a distance of 46.65 feet, said arc

subtended by a chord bearing North 12°28'02" East, a distance of 46.55 feet; thence South 82°14'52" East 18.98 feet to a point on a curve to the left, having a radius of 1.00 feet and a central angle of 92°06'32", thence Northeasterly along the arc of said curve a distance of 1.61 feet, said arc subtended by a chord bearing North 51°57'50" East, a distance of 1.44 feet; to a point on a compound curve to the left, having a radius of 230.50 feet and a central angle of 14°24'28", thence Northeasterly along the arc of said curve a distance of 57.96 feet, said arc subtended by a chord bearing North 01°11'59" West, a distance of 57.81 feet; to a point on a compound curve to the left, having a radius of 1.00 feet and a central angle of 92°06'32", thence Northwesterly along the arc of said curve a distance of 1.61 feet, said arc subtended by a chord bearing North 54°16'40" West, a distance of 1.44 feet; thence South 79°50'54" West 18.98 feet to a point on a non-tangent curve to the left, having a radius of 210.50 feet and a central angle of 12°41'47", thence Northwesterly along the arc of said curve a distance of 46.65 feet, said arc subtended by a chord bearing North 14°52'00" West, a distance of 46.55 feet; thence North 70°25'06" East 18.98 feet to a point on a curve to the left, having a radius of 1.00 feet and a central angle of 92°06'32", thence Northeasterly along the arc of said curve a distance of 1.61 feet, said arc subtended by a chord bearing North 24°33'41" East, a distance of 1.44 feet; to a point on a compound curve to the left, having a radius of 230.50 feet and a central angle of 01°38'46", thence Northwesterly along the arc of said curve a distance of 6.62 feet, said arc subtended by a chord bearing North 22°10'46" West, a distance of 6.62 feet; thence North 67°01'19" East 139.34 feet; thence South 89°47'00" East 5.35 feet to the point of beginning.

Containing 56,916 sf or 1.31 acres, more or less.

The following described real property, located in Salt Lake County, Utah, is the parcel representing Phase Three of the Condominium Project:

Phase 3 - Boundary Description

Beginning at a point which lies South 00°16'17" West 1286.29 feet along the East section line and North 89°43'43" West 164.00 feet from the Northeast corner of Section 36, Township 3 South, Range 2 West, Salt Lake Base & Meridian; and traversing thence South 00°16'17" West 227.20 feet; thence North 89°54'12" West 173.85 feet; thence North 00°05'48" East 104.17 feet; thence North 89°54'12" West 16.91 feet; thence North 00°05'48" East 39.50 feet; thence South 89°54'12" East 73.20 feet to a point on a curve to the left, having a radius of 4.00 feet and a central angle of 89°49'31", thence Northeasterly along the arc of said curve a distance of 6.27 feet, said arc subtended by a chord bearing North 45°11'03" East, a distance of 5.65 feet; thence North 00°16'17" East 79.89 feet; thence South 89°43'43" East 114.00 feet to the point of beginning.

Containing 35,222 sf or 0.81 acres.

The following described real property, located in Salt Lake County, Utah, is the parcel representing Phase Four of the Condominium Project:

Phase 4 - Boundary Description

Beginning at a point which lies South 00°16'17" West 1040.31 feet along the East section line and North 89°43'43" West 243.00 feet from the Northeast corner of Section 36, Township 3 South, Range 2 West, Salt Lake Base & Meridian; and traversing thence South 00°16'17" West 245.97 feet; thence North 89°43'43" West 35.00 feet; thence South 00°16'17" West 79.89 feet to a point on a curve to the right, having a radius of 4.00 feet and a central angle of 89°49'31", thence along the arc of said curve a distance of 6.27 feet, said arc subtended by a chord bearing South 45°11'03" West, a distance of 5.65 feet; thence North 89°54'12" West 73.20 feet; thence North 00°05'48" East 77.58 feet; thence South 89°43'43" East 6.94 feet; thence North 00°16'17" East 171.84 feet; thence North 89°47'00" West 5.35 feet; thence North 00°16'17" East 80.67 feet; thence South 89°43'43" East 110.84 feet to the point of beginning.

Containing 32,826 sf or 0.75 acres, more or less.

The following described real property, located in Salt Lake County, Utah, is the parcel representing Phase Five of the Condominium Project:

Phase 5 - Boundary Description

Beginning at a point which lies South 00°16'17" West 998.55 feet along the East line of Section 36, Township 3 South, Range 2 West, Salt Lake Base & Meridian and North 89°43'43" West 164.00 feet from the Northeast corner of said Section 36; and traversing thence South 00°16'17" West 287.74 feet; thence North 89°43'43" West 79.00 feet; thence North 00°16'17" East 287.74 feet; thence South 89°43'43" East 79.00 feet to the point of beginning.

Containing 22,731 sf or 0.52 acres, more or less.

The following described real property, located in Salt Lake County, Utah, is the parcel representing Phase Six of the Condominium Project:

Phase 6 - Boundary Description

Beginning at a point which lies South 00°16'17" West 741.38 feet along the East line of Section 36, Township 3 South, Range 2 West, Salt Lake Base & Meridian and North 89°43'43" West 164.00 feet from the Northeast corner of said Section 36; and traversing thence South 00°16'17" West 257.17 feet; thence North 89°43'43" West 79.00 feet; thence South 00°16'17" West 41.77 feet; thence North 89°43'43" West 55.00 feet; thence North 00°16'17" East 161.28 feet to a point on a curve to the left, having a radius of 4.00 feet and a central angle of 89°51'20"; thence Northwesterly along the arc of said curve a distance of 6.27 feet, said arc subtended by a chord bearing North 44°39'23" West, a distance of 5.65 feet; thence North 89°35'03" West 7.98 feet; thence North 00°24'57" East 134.00 feet; thence South 89°35'03" East 145.63 feet to the point of beginning.

Containing 38,364 sf or 0.88 acres, more or less.

The following described real property, located in Salt Lake County, Utah, is the parcel representing Phase Seven of the Condominium Project:

Phase 7 - Boundary Description

Beginning at a point which lies South 00°16'17" West 741.38 feet along the East line of Section 36, Township 3 South, Range 2 West, Salt Lake Base & Meridian and North 89°43'43" West 164.00 feet and North 89°35'03" West 145.36 feet from the Northeast corner of said Section 36; and traversing thence South 00°24'57" West 134.00 feet; thence South 89°35'03" East 7.98 feet to a point on a curve to the right, having a radius of 4.00 feet and a central angle of 89°51'20"; thence Southeasterly along the arc of said curve a distance of 6.27 feet, said arc subtended by a chord bearing South 44°39'23" East, a distance of 5.65 feet; thence South 00°16'17" West 161.28 feet; thence North 89°43'43" West 55.84 feet; thence North 89°43'38" West 57.09 feet to a point on a non-tangent curve to the left, having a radius of 54.00 feet and a central angle of 115°13'30", thence Northwesterly along the arc of said curve a distance of 108.60 feet, said arc subtended by a chord bearing North 52°14'18" West, a distance of 91.20 feet; thence N 00°24'46" East 129.23 feet to a point on a curve to the left, having a radius of 1.00 feet and a central angle of 90°00'00", thence Northwesterly along the arc of said curve a distance of 1.57 feet, said arc subtended by a chord bearing North 44°35'03" West, a distance of 1.41 feet; thence North 89°35'03" West 144.78 feet; thence North 00°24'57" East 114.00 feet; thence South 89°35'03" East 318.83 feet to the point of beginning.

Containing 66,835 sf or 1.53 acres, more or less.

The following described real property, located in Salt Lake County, Utah, is the parcel representing Phase Eight of the Condominium Project:

Phase 8 - Boundary Description

Beginning at a point which lies South 00°16'17" West 741.38 feet along the East line of Section 36, Township 3 South, Range 2 West, Salt Lake Base & Meridian and North 89°43'43" West 164.00 feet and North 89°35'03" West 464.46 feet from the Northeast corner of said Section 36; and traversing thence South 00°24'57" West 114.00 feet; thence South 89°35'03" East 144.78 feet to a point on a curve to the right, having a radius of 1.00 feet and a central angle of 90°00'00"; thence Southeasterly along the arc of said curve a distance of 1.57 feet, said arc subtended by a chord bearing South 44°35'03" East, a distance of 1.41 feet; thence South 00°24'46" West 73.27 feet; thence North 90°00'00" West 239.50 feet; thence North 87°24'00" West 58.87 feet; thence North 11°51'53" East 72.90 feet to a point on a curve to the right, having a radius of 4.00 feet and a central angle of 83°40'01"; thence Northeasterly along the arc of said curve a distance of 5.84 feet, said arc subtended by a chord bearing North 53°41'52" East, a distance of 5.34 feet to a point on a reverse curve to the left, having a radius of 219.50 feet and a central angle of 05°06'54"; thence Northeasterly along the arc of said curve a distance of 19.60 feet, said arc subtended by a chord bearing South 87°01'36" East, a distance of 19.59 feet; thence North 00°24'57" East 35.00 feet; thence South 89°35'03" East 42.73 feet; thence North 00°24'57" East 79.00 feet; thence South 89°35'03" East 71.50 feet to the point of beginning.

Containing 31,503 sf or 0.72 acres, more or less.

The following described real property, located in Salt Lake County, Utah, is the parcel representing Phase Nine of the Condominium Project:

Phase 9 - Boundary Description

Beginning at a point which lies South 00°16'17" West 741.38 feet along the East line of Section 36, Township 3 South, Range 2 West, Salt Lake Base & Meridian and North 89°43'43" West 164.00 feet and North 89°35'03" West 535.96 feet from the Northeast corner of said Section 36; and traversing thence South 00°24'57" West 79.00 feet; thence North 89°35'03" West 42.73 feet; thence South 00°24'57" West 35.00 feet to a point on a non-tangent curve to the right, having a radius of 219.50 feet and a central angle of 05°06'54"; thence Northwesterly along the arc of said curve a distance of 19.60 feet, said arc subtended by a chord bearing North 87°01'36" West, a distance of 19.59 feet to a point on a reverse curve to the left, having a radius of 4.00 feet and a central angle of 83°40'01"; thence Southwesterly along the arc of said curve a distance of 5.84 feet, said arc subtended by a chord bearing South 53°41'52" West, a distance of 5.34 feet; thence South 11°51'53" West 122.90 feet; thence North 78°08'07" West 19.00 feet to a point on a curve to the left, having a radius of 5.00 feet and a central angle of 89°58'58"; thence Southwesterly along the arc of said curve a distance of 7.85 feet, said arc subtended by a chord bearing South 56°51'59" West, a distance of 7.07 feet; thence South 11°51'53" West 4.10 feet; thence North 78°08'07" West 31.00 feet; thence South 11°51'53" West 0.40 feet to a point on a curve to the left, having a radius of 375.50 feet and a central angle of 03°10'44"; thence Southwesterly along the arc of said curve a distance of 20.83 feet, said arc subtended by a chord bearing South 10°16'31" West, a distance of 20.83 feet to a point on a reverse curve to the right, having a radius of 25.00 feet and a central angle of 50°02'54"; thence Southwesterly along the arc of said curve a distance of 21.84 feet, said arc subtended by a chord bearing South 33°44'05" West, a distance of 21.15 feet; thence North 88°24'32" West 63.98 feet to a point on a curve to the right, having a radius of 21.00 feet and a central angle of 50°09'02"; thence Northwesterly along the arc of said curve a distance of 18.38 feet, said arc subtended by a chord bearing North 63°19'57" West, a distance of 17.80 feet, to a point on a non-tangent curve to the right, having a radius of 470.00 feet and a central angle of 06°36'29"; thence Northeasterly along the arc of said curve a distance of 54.21 feet, said arc subtended by a chord bearing North 08°33'49" East, a distance of 54.18 feet; thence North 11°51'53" East 222.95 feet; thence South 86°22'53" East 142.64 feet; thence South 89°35'03" East 47.52 feet to the point of beginning.

Containing 43,602 sf or 1.00 acres, more or less.

The following described real property, located in Salt Lake County, Utah, is the parcel representing Phase Ten of the Condominium Project:

Phase 10 - Boundary Description

Beginning at a point which lies South 00°16'17" West 1287.90 feet along the East line of Section 36, Township 3 South, Range 2 West, Salt Lake Base & Meridian and North 89°43'43" West 876.31 feet from the Northeast corner of said Section 36; and traversing thence from a point on a curve to the right, having a radius of 470.00 feet and a central angle of 28°51'12"; thence Northwesterly along the arc of said curve a distance of 236.69 feet, said arc subtended by a chord bearing North 16°29'59" West, a distance of 234.19 feet, to a point on a non-tangent curve to the right, having a radius of 21.00 feet and a central angle of 50°09'02"; thence Northeasterly along the arc of said curve a distance of 18.38 feet, said arc subtended by a chord bearing North 66°30'53" East, a distance of 17.80 feet; thence South 88°24'32" East 62.68 feet to a point on a non-tangent curve to the right, having a radius of 25.00 feet and a central angle of 51°46'27"; thence Southeasterly along the arc of said curve a distance of 22.59 feet, said arc subtended by a chord bearing South 29°40'04" East, a distance of 21.83 feet; thence North 77°31'04" East 35.45 feet to a point on a non-tangent curve to the right, having a radius of 21.00 feet and a central angle of 86°46'16"; thence Northeasterly along the arc of said curve a distance of 31.80 feet, said arc subtended by a chord bearing North 40°30'39" East, a distance of 28.85 feet; thence North 83°53'52" East 16.34 feet to a point on a curve to the right, having a radius of 1.00 feet and a central angle of 90°28'11"; thence Southeasterly along the arc of said curve a distance of 1.58 feet, said arc subtended by a chord bearing South 51°18'51" East, a distance of 1.42 feet; thence South 06°06'08" East 19.00 feet; thence North 83°53'52" East 42.33 feet to a point on a non-tangent curve to the left, having a radius of 260.00 feet and a central angle of 28°29'33"; thence Southeasterly along the arc of said curve a distance of 129.30 feet, said arc subtended by a chord bearing South 16°10'21" East, a distance of 127.97 feet; thence South 59°04'22" West 202.53 feet to the point of beginning.

Containing 37,620 sf or 0.86 acres, more or less.

The following described real property, located in Salt Lake County, Utah, is the parcel representing Phase Ten of the Condominium Project:

Phase 11 - Boundary Description

Beginning at a point which lies South 00°16'17" West 1505.03 feet along the East line of Section 36, Township 3 South, Range 2 West, Salt Lake Base & Meridian and North 89°43'43" West 567.82 feet from the Northeast corner of said Section 36; said point also being on a curve to the right, having a radius of 470.00 feet and a central angle of 47°19'17"; thence Northwesterly along the arc of said curve a distance of 388.18 feet, said arc subtended by a chord bearing North 54°35'16" West, a distance of 377.24 feet; thence North 59°04'22" East 122.03 feet to a point on a non-tangent curve to the left, having a radius of 340.50 feet and a central angle of 53°39'21"; thence Southeasterly along the arc of said curve a distance of 318.87 feet, said arc subtended by a chord bearing South 57°22'00" East, a distance of 307.34 feet; thence South 48°58'38" West 46.16 feet to a point on a non-tangent curve to the right, having a radius of 15.00 feet and a central angle of 71°08'09"; thence Southeasterly along the arc of said curve a distance of 18.62 feet, said arc subtended by a chord bearing South 43°48'03" East, a distance of 17.45 feet, to a point on a reverse curve to the left, having a radius of 122.50 feet and a central angle of 28°50'56"; thence Southwesterly along the arc of said curve a distance of 61.68 feet, said arc subtended by a chord bearing South 22°30'40" West, a distance of 61.03 feet; thence South 08°05'14" West 1.41 feet to a point on a reverse curve to the right, having a radius of 21.00 feet and a central angle of 50°09'02"; thence Southwesterly along the arc of said curve a distance of 18.38 feet, said arc subtended by a chord bearing South 33°09'50" West, a distance of 17.80 feet to the point of beginning.

Containing 42,592 sf or 0.98 acres, more or less.

The following described real property, located in Salt Lake County, Utah, is the parcel representing Phase Twelve of the Condominium Project:

Phase 12 - Boundary Description

Beginning at a point which lies South 00°16'17" West 1389.19 feet along the East line of Section 36, Township 3 South, Range 2 West, Salt Lake Base & Meridian and North 89°43'43" West 512.32 feet from the Northeast corner of said Section 36; said point also being on a curve to the right, having a radius of 340.50 feet and a central angle of 53°39'22"; thence Northwesterly along the arc of said curve a distance of 318.87 feet, said arc subtended by a chord bearing North 57°22'00" West, a distance of 307.34 feet; thence North 59°04'22" East 80.50 feet to a point on a non-tangent curve to the left, having a radius of 260.00 feet and a central angle of 57°30'44"; thence Southeasterly along the arc of said curve a distance of 260.98 feet, said arc subtended by a chord bearing South 59°10'31" East, a distance of 250.16 feet to a point on a non-tangent curve to the right, having a radius of 210.50 feet and a central angle of 06°42'18"; thence Southwesterly along the arc of said curve a distance of 24.63 feet, said arc subtended by a chord bearing South 15°27'46" West, a distance of 24.62 feet; thence South 72°49'05" East 18.98 feet to a point on a curve to the right, having a radius of 1.00 foot and a central angle of 92°06'32"; thence Southeasterly along the arc of said curve a distance of 1.61 feet, said arc subtended by a chord bearing South 26°59'37" East, a distance of 1.44 feet to a point on a compound curve to the right, having a radius of 230.50 feet and a central angle of 10°16'02"; thence Southwesterly along the arc of said curve a distance of 41.31 feet, said arc subtended by a chord bearing South 24°03'47" West, a distance of 41.25 feet to a point on a compound curve to the right, having a radius of 21.00 feet and a central angle of 66°36'12"; thence Southwesterly along the arc of said curve a distance of 24.41 feet, said arc subtended by a chord bearing South 62°31'03" West, a distance of 23.06 feet to the point of beginning.

Containing 24,349 sf or 0.56 acres, more or less.

The following described real property, located in Salt Lake County, Utah, is the parcel representing Phase Thirteen of the Condominium Project:

Phase 13 - Boundary Description

Beginning at a point which lies South 00°16'17" West 1310.15 feet along the East line of Section 36, Township 3 South, Range 2 West, Salt Lake Base & Meridian and North 89°43'43" West 487.64 feet from the Northeast corner of said Section 36; said point also being on a curve to the left, having a radius of 210.50 feet and a central angle of 05°59'29"; thence Northeasterly along the arc of said curve a distance of 22.01 feet, said arc subtended by a chord bearing North 09°06'53" East, a distance of 22.00 feet; thence South 82°14'52" East 18.98 feet to a point on a curve to the left, having a radius of 1.00 feet and a central angle of 92°06'32"; thence Northeasterly along the arc of said curve a distance of 1.61 feet, said arc subtended by a chord bearing North 51°57'50" East, a distance of 1.44 feet to a point on a compound curve to the left, having a radius of 230.50 feet and a central angle of 14°24'28"; thence Northwesterly along the arc of said curve a distance of 57.96 feet, said arc subtended by a chord bearing North 01°11'59" West, a distance of 57.81 feet to a point on a compound curve to the left, having a radius of 1.00 feet and a central angle of 92°06'32"; thence Northwesterly along the arc of said curve a distance of 1.61 feet, said arc subtended by a chord bearing North 54°16'40" West, a distance of 1.44 feet; thence South 79°50'54" West 18.98 feet to a point on a curve to the left, having a radius of 210.50 feet and a central angle of 12°41'47"; thence Northwesterly along the arc of said curve a distance of 46.65 feet, said arc subtended by a chord bearing North 14°52'00" West, a distance of 46.55 feet; thence North 70°25'06" East 18.98 feet to a point on a curve to the left, having a radius of 1.00 feet and a central angle of 92°06'32"; thence Northeasterly along the arc of said curve a distance of 1.61 feet, said arc subtended by a chord bearing North 24°33'41" East, a distance of 1.44 feet to a point on a compound curve to the left, having a radius of 230.50 feet and a central angle of 74°12'34"; thence Northwesterly thence along the arc of said curve a distance of 298.54 feet, said arc subtended by a chord bearing North 58°26'06" West, a distance of 278.11 feet to a point on a compound curve to the left, having a radius of 1.00 feet and a central angle of 90°28'11"; thence Southwesterly

along the arc of said curve a distance of 1.58 feet, said arc subtended by a chord bearing South 39°00'45" West, a distance of 1.42 feet; thence South 06°06'08" East 18.99 feet; thence thence South 83°53'52" West 23.67 feet to a point on a non-tangent curve to the left, having a radius of 260.00 feet and a central angle of 86°00'18"; thence Southeasterly along the arc of said curve a distance of 390.28 feet, said arc subtended by a chord bearing South 44°55'44" East, a distance of 354.66 feet to the point of beginning.

Containing 47,794 sf or 1.10 acres, more or less.

EXHIBIT B

UNDIVIDED INTERESTS

Each unit shall have a $1/160^{\text{th}}$ (or 0.6250%) undivided interest in the Common Area, $1/160^{\text{th}}$ (or 0.6250%) allocated interest in the common expenses of the Project, and a $1/160^{\text{th}}$ (or 0.6250%) vote for all matters of the Association.

EXHIBIT C

**ASPEN SPRINGS
CONDOMINIUMS**

BYLAWS

Table of Contents

ARTICLE I: DEFINITIONS	1
1.1 Definitions.....	1
1.2 Notice	3
ARTICLE II: OWNERS	3
2.1 Annual Meetings.....	3
(a) Requirement	3
(b) Date and Time	3
(c) Purpose	3
(d) Election of Board Members	3
2.2 Special Meetings.....	4
(a) Who May Call	4
(b) Requirements for Request of Owners	4
2.3 Place of Meetings	4
2.4 Meetings by Telecommunications	4
2.5 Notice of Meetings	4
2.6 Owners of Record	4
2.7 Quorum	5
2.8 Proxies.....	5
2.9 Votes	5
2.10 Ballots and Written Consent	5
2.11 Minutes of Meetings	6
ARTICLE III: Board of Directors.....	6
3.1 Number, Tenure, Qualifications, and Election	6
(a) Number of Members.....	6
(b) Member Requirements	6
(c) Term	6
(d) Nominations	6
(e) Disqualification	7
(f) Removal for Failure to Participate.....	7
3.2 Meetings.....	7
(a) Regular Meetings.....	7
(b) Who is Entitled to Attend.....	7
(c) Attendance by Telephone or other Means.....	7
(d) Special Meetings	8
(e) Quorum and Manner of Acting	8
(f) Place and Notice of Meetings	8
(g) Executive Session.....	8

3.3 Informal Action and Action by Board Members without a Meeting.....	9
3.4 Compensation	11
3.5 Resignation and Removal	11
3.6 Vacancies	11
ARTICLE IV: OFFICERS.....	11
4.1 Officers	11
4.2 Election, Tenure and Qualifications	11
4.3 Resignation and Removal	12
4.4 Vacancies and Newly Created Offices	12
4.5 The President	12
4.6 The Vice President.....	12
4.7 The Secretary	12
4.8 The Treasurer.....	13
4.9 Compensation	13
ARTICLE V: COMMITTEES	13
5.1 Designation of Committees.....	13
5.2 Proceedings of Committees	13
5.3 Quorum and Manner of Acting	13
5.4 Resignation and Removal	13
5.5 Vacancies	14
ARTICLE VI: INDEMNIFICATION	14
6.1 Indemnification	14
6.2 Other Indemnification	14
6.3 Settlement by Association	15
ARTICLE VII: AMENDMENTS	15
7.1 Amendments	15
7.2 Execution of Amendments	15
ARTICLE VIII: WAIVER OF IRREGULARITIES.....	15
8.1 Waiver of Procedural Irregularities	15
8.2 Requirements for Objections	16
8.3 Irregularities That Cannot Be Waived	16

**BYLAWS
OF
Aspen Springs Condominiums Association**

These bylaws are hereby adapted and established as the Bylaws of the Aspen Springs Condominiums Association (“the Association”). These Bylaws and any amendments thereto shall apply to the Association upon their recording and shall bind all present and/or future Owners and Occupants.

**ARTICLE I
DEFINITIONS AND NOTICE**

- 1.1 Definitions. Except as otherwise provided herein or as may be required by the context, all terms defined in the AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR ASPEN SPRINGS CONDOMINIUMS (“the Declaration”), as amended, shall have the same defined meanings when used in these Bylaws. For reference, the following definitions are duplicated herein:
- (a) “Act” shall mean the Condominium Ownership Act codified beginning at Section 57-8-1, Utah Code Annotated, in effect on the date this Declaration is recorded with the Salt Lake County Recorder.
 - (b) “Association” shall refer to Aspen Springs Condominiums Association, the membership of which shall include each Owner in the Project. The Association may be incorporated as a nonprofit corporation. If the Owners are ever organized as another type of entity or if the Owners act as a group without legal organization, “Association” as used in this Declaration shall refer to that entity or group.
 - (c) “Board Member” shall mean a duly qualified and elected or appointed member of the Board.
 - (d) “Board of Directors” or “Board” shall mean the body of elected or appointed people with primary authority to manage the affairs of the Association, including the responsibility and authority to make and enforce all of the reasonable rules covering the operations and maintenance of the Project.
 - (e) “Declaration” shall mean the Declaration and all attached exhibits other than these Bylaws, and any and all amendments to the Declaration.
 - (f) “Manager” shall mean any Person engaged by the Association to manage the Project.

- (g) “Occupant” shall mean any Persons, other than an Owner, in possession of, using, entering into, or living in a Unit or the Project, including, without limitation, family members, tenants, guests, and invitees of an Owner or an Occupant. Occupants shall include any trespassers or previously lawful Occupants if the Owner fails to secure the Unit against trespass, fails to take action necessary and appropriate to remove trespassers or previously lawful Occupants immediately upon notice of the trespass or occupancy, or fails to take reasonable measures to become aware of any unauthorized Occupants in the Unit or of any unauthorized entry and use of the Unit (which shall include the duty to verify the physical condition and occupancy of the Unit at least monthly if it is left unoccupied).
- (h) “Owner” shall mean the Person or Persons who have record title to a Unit, including those who hold a fee simple interest in the Unit (in whole or in part), according to the records of the County Recorder of Salt Lake County, Utah; however, Owner shall not include a trustee for a deed of trust.
- (i) “Person” shall mean a natural individual, corporation, estate, partnership, trustee, association, joint venture, government, governmental subdivision or agency, or any other legal entity.
- (j) “Project” shall mean the land, whether leasehold or in fee simple, the Buildings, all improvements and structures thereon, all easements, rights and appurtenances belonging thereto, and all articles of personal property intended for use in connection therewith; as defined by the Plat and this Declaration and including the Units, the Common Area, and the Limited Common Areas. Project as defined in this Declaration is intended to have the same definition as “Property” as defined in the Act.
- (k) “Property” shall mean the property legally described in Exhibit A to the Declaration and all easements and rights appurtenant thereto.
- (l) “Rules” shall mean and refer to the rules adopted by the Association.
- (m) “Undivided Interest” shall mean the interest of that Owner (expressed as a percentage in Exhibit B to the Declaration) in the Common Areas, which shall be applicable for the purposes of voting, the payment of Common Expenses, and for other purposes indicated in the Declaration or the Act.
- (n) “Unit” shall mean and refer to an individual condominium unit, unit, or condominium, (all as defined in the Act), which shall consist of a separate physical part of the property intended for independent use, including one or more rooms or spaces located in one or more floors or part or parts of floors in a building, and which is identified on the Plat. Except where the

context specifically requires otherwise, reference to a Unit shall include reference to the Undivided Interest appurtenant to such Unit.

- 1.2 Notice. Notice as required in these Bylaws shall be accomplished as provided for in the Declaration.

ARTICLE II MEETINGS OF THE OWNERS

2.1 Annual Meetings.

- (a) Requirement. An annual meeting of the Owners shall be held no less than once each calendar year.
- (b) Date and Time. Unless changed by the Board, the annual meeting of Owners shall be held during the fourth quarter each calendar year. The Board may from time to time change the date and time for the annual meeting of the Owners.
- (c) Purpose. The Annual Meeting shall be held for the following purposes:
 - (1) Electing members of the Board;
 - (2) So long as required by law, distributing the most recent reserve study, permitting discussion on reserve funding options, and voting on whether and how to fund the reserve account;
 - (3) Approval of the budget by a vote of the Owners;
 - (4) Distributing any annual insurance checklist if it was not distributed before the meeting, announcing the current deductible for the Association's property insurance and the Owners' potential responsibility for this deductible, and permitting questions and discussion on insurance issues and coverage;
 - (5) If no earthquake insurance has been obtained, voting to confirm this decision;
 - (6) Approving the minutes of the prior annual meeting; and
 - (7) Transacting such other business as may properly come before the meeting.
- (d) Election of Board Members. If the election of the Board members cannot be held on the day designated for the annual meeting of the Owners, or at any adjournment thereof, the Board shall cause the election to be held at a special meeting of the Owners, to be convened as soon thereafter as may be convenient.

2.2 Special Meetings.

- (a) Who May Call. Special meetings of the Owners may be called by the Board, the President, or upon the written request of Owners holding not less than thirty-three percent (33%) of the Undivided Interest of the Association.
- (b) Requirements for Request of Owners. Any written request for a special meeting by the Owners shall include the signature of each Owner affirmatively supporting such request along with a statement of the purpose of the meeting. The statement of affirmation and purpose must be on every document containing signatures. Such written request is to state the purpose or purposes of the meeting and shall be delivered to the Manager, or the President, who shall then call a special meeting, provide notice of the special meeting, and conduct a special meeting within sixty (60) days of receipt of the request that shall address the purpose identified on the request, but no other issues.

2.3 Place of Meetings. The Project shall be the place for any annual or special meeting unless special circumstances make it unavailable, in which case the meeting shall be held within five miles of the location of the Project.

2.4 Meetings by Telecommunications. Any or all of the Owners may participate in an annual or special meeting of the members by, or the meeting may be conducted through the use of, any means of communication by which all persons participating in the meeting may hear each other during the meeting. A member participating in a meeting as allowed in this section is considered to be present in person at the meeting. The Board may establish procedures and rules related to this provision as it relates to proxies, verifying attendance, and other aspects of the meeting.

2.5 Notice of Meetings. The Board shall cause written notice of the time and place, and in the case of a special meeting, the purpose, for all meetings of the Owners, whether annual or special, to be delivered to the Owners, not more than sixty (60) nor less than ten (10) days prior to the meeting.

2.6 Owners of Record. For the purpose of determining Owners entitled to notice of or to vote at any meeting of the Owners, or any adjournment thereof, the Board may designate a record date, which shall not be more than sixty (60) nor less than ten (10) days prior to the meeting. If no record date is designated prior to sending notice of the meeting, the first date on which a notice of the meeting is sent shall be deemed to be the record date for determining Owners entitled to notice of or to vote at the meeting. The Persons or entities appearing in the records of the Association on such record date as the Owners of record of Units in the Property shall be deemed to be the Owners of record entitled to notice of and to vote at the meeting of the Owners.

- 2.7 Quorum. At any meeting of the Owners, the presence of Owners holding, or holders of proxies entitled to cast, more than forty percent (40%) of the Undivided Interest of the Association shall constitute a quorum for the transaction of business. If a quorum is not met, the meeting shall be postponed to a date of not more than thirty (30) days and not less than fifteen (15) days at which time the owners present shall constitute a quorum. In the case of any such postponement, notice of the meeting shall again be provided to all owners at least seven (7) days before the postponed meeting which shall include the statement: "The meeting will occur without any requirement for a minimum number of owners present."
- 2.8 Proxies. At each meeting of the Owners, each Owner entitled to vote shall be entitled to vote in person or by proxy; provided, however, that the right to vote by proxy shall exist only where the instrument authorizing such proxy to act shall have been executed by the Owner or by the Owner's attorney when duly authorized in writing. If a Unit is jointly owned, the instrument authorizing a proxy to act may be executed by any one (1) Owner of such Unit or that Owners' attorneys when duly authorized in writing. Such instrument authorizing a proxy to act may set forth the specific matters or issues upon which the proxy is authorized to act. Such instrument shall be delivered to the Secretary of the Association or to such other officer or person who has been authorized by the Association to accept proxies at the meeting. Such instrument shall be delivered either prior to or at the meeting, but no later than any point after the start of the meeting at which it is announced by the person in charge of the meeting as the final time to deliver proxies.
- 2.9 Votes. With respect to each matter submitted to a vote of the Owners, each Owner entitled to vote at the meeting shall have the right to cast, in person or by proxy, the number of votes appertaining to the Unit of such Owner, as shown in the Declaration. The affirmative vote of Owners holding the majority of the Undivided Interests entitled to be cast by the Owners present or represented by proxy at a meeting at which a quorum was initially present shall be necessary for the adoption of any matter voted on by the Owners, unless a greater proportion is required by these Bylaws, the Declaration, the Act, or the Revised Nonprofit Corporations Act. When more than one Owner holds an interest in a Unit, any Owner may exercise the vote for such Unit on behalf of all co-Owners of the Unit. In the event of two conflicting votes by co-Owners of one Unit, no vote shall be counted for that Unit but it shall be counted for the purposes of establishing a quorum. In no event shall fractional votes be exercised in respect to any Unit.
- 2.10 Ballots and Written Consent. The Association may use alternative procedures for obtaining the approvals of owners, such as mailing out ballots to be used as an alternative to meetings and written consents to be used instead of meetings, as allowed by and consistent with the requirements of the Revised Nonprofit Corporation Act.

- 2.11 Minutes of Meetings. The secretary shall take minutes of all meetings of the Owners. The minutes shall include, at a minimum, (1) the identification of the Persons present at the meeting in person and by proxy, (2) the date of the meeting, (3) the identification of any issue that is voted on or decided in the meeting, (4) the number of votes cast for and against any issue decided upon, (5) the wording of any resolution passed at the meeting. The failure to take appropriate minutes or otherwise comply with this Section 2.10 does not invalidate any action taken at a meeting.

ARTICLE III BOARD OF DIRECTORS

- 3.1 Number, Tenure, Qualifications, and Election.
- (a) Number of Members. The Board shall consist of five (5) members. If five (5) members are not elected to the Board at any annual meeting of the members, the Board may operate with three (3) members. Vacancies on the Board may be filled in accordance with the procedures set forth in these Bylaws.
 - (b) Member Requirements. To be on the Board, a Person must be an Owner or spouse of an Owner and over the age of eighteen years old. If an Owner is an entity or trust, an officer, partner, member, manager, trustee, or beneficiary of such Owner may be a member of the Board. Any candidate or member of the Board shall, upon a request by any Owner, produce sufficient documentation establishing that person's right to serve on the Board.
 - (c) Term. The term of each Board Member shall be two (2) years. The terms of the Board Members shall overlap so that three (3) Board Members shall be elected one year, two (2) the next, three (3) the following, and so on.
 - (d) Nominations. Not less than sixty (60) days prior to the annual meeting, a request for nominations for open or expiring board positions shall be provided to all Owners. An Owner may submit his or her own name or the name of any other Owner to serve on the Board. If an Owner submits the name of another Owner, the nomination shall not be valid until the Owner being nominated provides written confirmation that the Owner is willing to serve. Nominations must be received within 30 days of the notice requesting nominations. Nominations may be accompanied by a short biography or statement. Nominations shall be submitted to the Association Secretary. If the Association gives advance notice of any person seeking election to the Board in a notice, ballot, or proxy; it shall include the names of every person nominated. Only persons who have been properly nominated may be elected to the Board.

- (e) **Disqualification.** If any Board Member is alleged to not meet the qualification requirements in the Declaration and any Board Member is notified of or discovers this alleged lack of qualification, the Board shall promptly investigate and verify whether the Board Member is qualified or not, and during this period shall not make any further decisions. If the Board Member is not qualified, the Board Member's membership on the Board shall terminate automatically retroactive to the date that written notice of an alleged lack of qualification was provided to the Association or, if no notice was provided, to the date that the Board established that the Board Member was not qualified. If a Board Member becomes unqualified, or disqualified, or was not qualified under the Governing Documents, but was nonetheless elected to or permitted to remain on the Board, the decisions and actions of the Board and that Board Member are not subject to challenge on this basis up to the time that the Association is notified in writing as provided for in this section or until the Board Member is disqualified if no such notice is provided.
- (f) **Removal for Failure to Participate.** If any Board Member shall fail to appear (in person or by some other means allowing for participation) at four (4) successive regular Board meetings or fifty percent (50%) or more of the regular meetings within the preceding 12 months, after having received proper notice of the meetings and after the Board has attempted in good faith to schedule meetings consistent with all of the member's schedules, the other Board Members may by unanimous vote, except for the Board Member to be removed, remove that Member and appoint a new Member.

3.2 Meetings.

- (a) **Regular Meetings.** The Board shall hold regular meetings at least quarterly, and more often at the discretion of the Board.
- (b) **Who is Entitled to Attend.** Board Members may attend all meetings. Owners may attend meetings and may be present for all discussion, deliberation, and decisions except when the Board is in executive session. Owners shall comply with all reasonable rules established by the presiding officer for their attendance, including a requirement that they remain silent except when comments are solicited by the Board.
- (c) **Attendance by Telephone or other Means.** The Board may allow attendance and participation at any meeting of the Board by telephone or any other means that allows for the Board Members to hear each other during the meeting.

- (d) **Special Meetings.** Special meetings of the Board may be called by or at the request of any two (2) Board Members or the President of the Association. Notice of any special meeting shall be given at least 48 hours prior thereto to each Board Member. No notice of special meetings is required to be provided to Owners, although any Owner may attend any special meeting if the Owner appears at the physical location of the meeting in person.
- (e) **Quorum and Manner of Acting.** A majority of Board Members shall constitute a quorum for the transaction of business at any meeting of the Board. The act of a majority of the Board Members present at any meeting at which a quorum is present and for which proper notice was provided to the Board Members shall be the act of the Board. The Board Members shall act only as a Board, and individual members shall have no powers as such.
- (f) **Place and Notice of Meetings.** The Board may designate any place in Salt Lake County as the place of meeting for any regular meeting called by the Board but shall in good faith attempt to hold meetings at the Project or in as close a proximity to the Project as reasonably as possible. All Board Members and Owners shall be given at least ten (10) days notice of regular meetings.
- (g) **Executive Session.**
 - (1) The Board or a Committee may, by motion and a vote, continue deliberations and discussions in executive session for the reasons allowed in these Bylaws. If they enter executive session, they shall discontinue any executive session by motion and a vote.
 - (2) Executive sessions may be held to discuss and make decisions related to the following matters:
 - (i) Pending or prospective legal proceedings and issues related to the Association, its operations, or its governance, including but not limited to meetings with the Association's counsel.
 - (ii) Contracts and purchases related to the Association, including but not limited to the negotiations, potential breaches, reviews of contracts, and the terms of any purchases,
 - (iii) Association employee and personnel issues, including reviews, discipline issues, termination issues, salary issues, and the terms of employment,
 - (iv) Rule violations by owners, including but not limited to the discussion of complaints and whether to impose fines or

utilize any particular remedy to address particular violations.

- (3) The discussions in executive session shall be confidential and shall not be disclosed to anyone outside of the meeting except as authorized by the Board or the Committee.
- (4) Documents analyzed in executive session may be confidential for other reasons provided for by law or in the Governing Documents, but they are not confidential merely as a result of having been discussed or presented in executive session
- (5) The minutes of the meeting at which an executive session is held shall include:
 - (i) The purpose(s) of the executive session in sufficient detail. For example, the following are sufficient descriptions: “to discuss the terms of a management contract with XYZ Company,” or “To discuss the pending litigation with XYZ.”
 - (ii) Any decisions made during executive session.
- (6) Care shall be taken so that attorney-client privileged information is not disclosed in minutes that are made available to anyone outside of members of the Board or the Committee.

3.3 Informal Action and Action by Board Members without a Meeting.

- (a) Any action that is required or permitted to be taken at a meeting of the Board may be taken without a meeting if each and every Board Member, in writing, either:
 - (1) votes for the action; or
 - (2) votes against or abstains from voting, and waives in writing the right to demand that action not be taken without a meeting.
- (b) An action taken pursuant to this section shall not be effective unless the Association receives writings:
 - (1) describing the action taken;
 - (2) signed by each Board Member; and
 - (3) not revoked pursuant to subsection 3.3(d).
- (c) Action taken under this section is effective only if the affirmative vote for the action equals or exceeds the minimum number of votes that would be

necessary to take the action at a meeting at which all of the Board members then in office were present and voted.

- (d) A Board Member may revoke consent to any action given pursuant to this section by communicating in writing that the member has changed his or her vote, with a description of the action. To be effective, the revocation must be received before receipt of the final consent necessary for the action to be effective.
- (e) An action approved of pursuant to this section is effective when the last writing necessary to satisfy this section is received by the Board.
- (f) Action taken pursuant to this section has the same effect as action taken at a meeting of the Board and may be described as an action taken at a meeting of the Board Members in any document.
- (g) For purposes of this section:
 - (1) “Signed” or “signature” is any indication on the document, whether paper or electronic, that the document is from and consented to by the person who is purported to have sent it. For example, a typed name at the bottom of an email satisfies the requirement for a signature.
 - (2) “Writing” shall refer to an email, letter, facsimile, or any other physical or electronic document.
 - (3) Communications may be by email, facsimile, hand delivery, mail, or other electronic or physical means.
 - (4) Any response to any electronic communication shall be:
 - (i) to the address of the sender using the same address and means of communication as was used to send the request for consent of an action, such as email, facsimile, or hand delivery; or
 - (ii) to any address in regular use, electronic, telephonic, or physical, by the person sending the request.
- (h) A communication shall satisfy the requirement to “describe the action taken” if:
 - (1) it is in the form of an email and it includes with the email the content of prior emails in the email chain that describe or include the proposed action;
 - (2) it is in the form of a facsimile and it includes either as a separate page or on the page in which a response is given, the request for action or a description of the proposed action; or

- (3) the writing from the Board Member sufficiently describes or restates the proposed action.
- 3.4 Compensation. No Board Member shall receive compensation for any services that he/she may render to the Association as a Board Member; provided, however, that a Board Member may be reimbursed for expenses incurred in the performance of his/her duties as a Board Member to the extent such expenses are approved by the Board.
- 3.5 Resignation and Removal. A Board Member may resign at any time by delivering a written resignation to any other member of the Board or to any Manager. Unless otherwise specified therein, such resignation shall take effect upon delivery. An oral resignation attempt is not effective. Any Board Member may be removed and replaced at any time, with or without cause, by the affirmative vote of at least fifty percent (50%) of the Undivided Interest of the Association. This vote must be taken at a special meeting of the Owners called for that purpose. If the Owners vote to remove all of the members of the Board, they shall immediately thereafter and at the same meeting elect new members of the Board using the procedures normally applicable for election of Board members at an annual meeting. If the Owners vote to remove less than all of the members of the Board, the Owners may vote to elect replacement members at the special meeting. If the Owners vote to remove less than all of the members of the Board and either due to inadvertence or choice do not elect replacements at the special meeting, the remaining members of the Board, by majority vote, shall appoint replacement members for the remainder of the term of the members who were removed.
- 3.6 Vacancies other than by Removal by Owners. If vacancies shall occur in the Board by reason of the death, resignation, removal for failure to attend meetings, or disqualification of a Board Member, the Board Members then in office shall continue to act, and such vacancies shall be filled by a vote of the Board Members then in office, even though less than a quorum may be available.

ARTICLE IV OFFICERS

- 4.1 Officers. The officers of the Association shall be a President, Vice President, Secretary, and Treasurer.
- 4.2 Election, Tenure and Qualifications. The officers of the Association shall be chosen by the Board annually at the first meeting of the Board following the annual meeting and thereafter at any time. Each such officer shall hold such office until a successor has been elected or until such officer's death, resignation, disqualification, or removal, whichever first occurs. No person shall hold more than one office unless, in the Board's discretion, the Board votes to have one person serve as both the Secretary and Treasurer. All officers must be members of the Board during the entire term of their respective offices.

- 4.3 Resignation and Removal. Any officer may resign any officer position at any time by delivering a written resignation to any Board Member. Unless otherwise specified therein, such resignation shall take effect upon delivery. At any time, the Board may appoint new or different officers, with or without cause.
- 4.4 Vacancies and Newly Created Offices. If any vacancy shall occur by any cause, such vacancies may be filled by the Board at any regular or special meeting. During the time that any office is vacant and no other officer is available to perform the duties of that office as required below, the Board shall ensure that the duties and responsibilities of the office are performed.
- 4.5 The President. The President shall preside at meetings of the Board and at meetings of the Owners. At all meetings, the President shall have all authority typically granted to the person presiding over a meeting including but not limited to: (1) the right to control the order of the meeting, (2) the right to arrange for the removal of any disruptive persons who may include but not be limited to any Person who (i) refuses to abide by rules or requests of the presiding person related to the order of the meeting and when speaking is permitted, or (ii) engages in vulgar, threatening, or otherwise inappropriate language or gestures, (3) the right to impose and enforce reasonable rules and procedures related to the meeting such as those found in "Robert's Rules of Order" or "The Modern Rules of Order" and (4) the right to designate the Manager or any other Person to preside over any meeting at which the President is present. The President shall sign on behalf of the Association all conveyances, mortgages, documents, and contracts, and shall do and perform all other acts and things as required by the Board. The President shall have the general authority to implement decisions of the Board and shall oversee the operations of the Association. The President shall have authority in case of emergency to take action without Board approval as is necessary and prudent to preserve and protect property. The President shall be responsible for the duties of any other office while that office is vacant.
- 4.6 The Vice President. The Vice President shall act in the place and stead of the President in the event of the President's resignation, absence, inability, or refusal to act. The Vice President shall perform such other duties as required by the Board.
- 4.7 The Secretary. The Secretary shall keep the minutes of the Association and shall maintain such books and records as these Bylaws, the Declaration, the law, or any Board Resolution may require such person to keep. The Secretary shall also act in the place and stead of the President in the event of the President and Vice President's resignation, absence, inability, or refusal to act. The Secretary shall perform such other duties as required by the Board.

- 4.8 The Treasurer. The Treasurer shall have the custody and control of the funds of the Association, subject to the action of the Board, and when requested by the President, shall report the state of the finances of the Association at each meeting of the Owners and at any meeting of the Board. The Treasurer shall have authority and obligation to generally implement the requirements of governing documents as it relates to the funds of the Association including the requirement to obtain a review by an independent accountant every three years and the preparation and filing of appropriate tax returns. The Treasurer shall also act in the place and stead of the President in the event of the President, Vice President, and Secretary's resignation, absence, inability, or refusal to act. The Treasurer shall perform such other duties as required by the Board.
- 4.9 Compensation. No officer shall receive compensation for any services rendered to the Association as an officer; provided, however, that an officer may be reimbursed for expenses incurred in performance of such duties as an officer to the extent such expenses are approved by the Board.

ARTICLE V COMMITTEES

- 5.1 Designation of Committees. The Board may from time to time designate such committees (each a "Committee") as it may deem appropriate in carrying out its duties, responsibilities, functions, and powers. The membership of each such Committee designated hereunder shall include at least one (1) Board Member. A Committee shall not have any powers, duties, or responsibilities beyond those specifically assigned by the Board in the minutes. The Board may terminate any Committee at any time.
- 5.2 Proceedings of Committees. Each Committee designated hereunder by the Board may appoint its own presiding and recording officers and may meet at such places and times and upon such notice as such Committee may from time to time determine. If required by the Board, each such Committee shall keep a record of its proceedings and shall regularly report such proceedings to the Board.
- 5.3 Quorum and Manner of Acting. The Board may establish any procedural or quorum requirements for voting by the Committee. The members of any Committee designated by the Board hereunder shall act only as a Committee, and the individual members thereof shall have no powers, as such. A Committee may exercise the authority granted by the Board.
- 5.4 Resignation and Removal. Any Committee member may resign at any time by delivering a written resignation to any member of the Board or any presiding officer of the Committee. Unless otherwise specified therein, such resignation shall take effect upon delivery. The Board may at any time, with or without cause, remove any member of any Committee.

- 5.5 Vacancies. If any vacancy shall occur in any Committee due to disqualification, death, resignation, removal, or otherwise, the remaining members shall, until the filling of such vacancy by the Board, constitute the then total authorized membership of the Committee and, provided that two (2) or more members are remaining, may continue to act.

ARTICLE VI INDEMNIFICATION

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

- 6.3 Settlement by Association. The right of any person to be indemnified shall be subject always to the right of the Association by the Board, in lieu of such indemnity, to settle any such claim, action, suit, or proceeding at the expense of the Association by the payment of the amount of such settlement and the costs and expenses incurred in connection therewith.

ARTICLE VII AMENDMENTS

- 7.1 Amendments. Except as otherwise provided herein or by the Act, these Bylaws may be amended by the affirmative vote of Owners holding Undivided Interests totaling not less than sixty percent (60%) of the total Undivided Interest. The vote must occur in a meeting of the Owners held for that purpose. The vote of approval of any one Owner of a Unit is sufficient if there are multiple Owners of the Unit.
- 7.2 Execution of Amendments. Upon obtaining the required vote, an amendment shall be signed by the President and Secretary of the Association, who shall certify that the amendment has been properly adopted as required by these Bylaws. An amendment complying with the requirements of these Bylaws and the Declaration shall be effective when the amendment has been recorded in the office of the County Recorder of Salt Lake County, Utah.

ARTICLE VIII WAIVER OF IRREGULARITIES

- 8.1 Waiver of Procedural Irregularities. All inaccuracies and irregularities in calls or notices of meetings, in the manner of voting, in the form of proxies, in the method of ascertaining Persons present, in the method of making decisions, or in the method of accepting or counting votes shall be deemed waived under the following circumstances:
- (a) if the objecting Person was in attendance at the meeting, they are waived if no objection to the particular procedural issue was made at the meeting;
 - (b) if the objecting Person was not in attendance at the meeting but had proper notice of the meeting, they are waived if no objection to the particular procedural issue was made within sixty (60) days of the date the meeting was held;
 - (c) if the objecting person was not in attendance at a meeting, did not have proper notice of the meeting, but had actual notice of the meeting before it occurred, they are waived if no objection to the particular procedural issue was made within ninety (90) days of the date of the meeting;
 - (d) if the objecting person was not in attendance at the meeting and did not have actual and proper notice of the meeting before it occurred, within ninety (90) days of receiving actual notice of the occurrence of the meeting or of any decision that was made at the meeting; and

