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11/15/2017 02:27 PM \$162.00  
Book - 10619 Pg - 8848-8905 A, b  
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**RESTATED AND AMENDED  
DECLARATION OF  
CONDOMINIUM  
FOR  
GOVERNOR'S SQUARE  
CONDOMINIUMS**

**JUNE 2017**

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**RESTATED AND AMENDED**

**DECLARATION OF CONDOMINIUM**

**FOR**

**GOVERNOR'S SQUARE CONDOMINIUMS**

This Restated and Amended Declaration of Condominium for Governor's Square Condominiums ("Restated Declaration") is made and executed by and between the Owners of Units in Governor's Square Condominiums ("Governor's Square") on the date shown below after being voted on and approved by the Owners of Units within Governor's Square and Members of the Governors Square Condominium Home Owners Association, Inc. ("Association"), in accordance with the Associations' Governing Documents and the provisions of the Utah Condominium Ownership Act ("Act").

**RECITALS**

- A. Capitalized terms in this Restated Declaration are defined in Article I.
- B. Governor's Square Condominiums was created as one (1) apartment building containing thirty-six (36) apartment units and other improvements. Said improvements were converted to a condominium project in 1981.
- C. Governor's Square Condominiums was created by recording the "Declaration of Condominium for Governor's Square Condominiums," ("Enabling Declaration") on August 18, 1981, as entry number 3596233, in the office of the Salt Lake County Recorder.
- D. The property that is the subject of this Restated Declaration is situated in and upon certain real property located in Salt Lake County, State of Utah, as specifically described in Exhibit "A", attached hereto and incorporated herein by this reference, including the Common Area that is appurtenant to each Unit as shown on the plat maps for Governor's Square Condominiums, as recorded in the office of the County Recorder for Salt Lake County, State of Utah. There are thirty-six (36) Units at Governor's Square Condominiums.

NOW, THEREFORE, to accomplish the Owners' objectives, this Restated Declaration is hereby adopted. The Governing Documents are hereby restated, replaced and amended by this Restated Declaration. It is the intent of the Owners that this Restated Declaration replace all prior Governing Documents and that this Restated Declaration be the sole set of restrictive covenants governing the Units, the Common Area and the Association. Regardless of any language herein to the contrary, the following are not renounced, rescinded, revoked, replaced or amended: the Plat Maps (as defined herein); the submission and dedication of the real property described in Exhibit "A" to the provisions of the Act and this Restated Declaration; the ratification, approval and incorporation of the Governors Square Condominium Home Owners Association, as a Utah non-profit corporation, and the Articles of Incorporation on file with the State of Utah; and, any other provision, paragraph, or section that is required to maintain the legal status of the Project as a Utah condominium which, if repealed, would nullify the legal status of the Project.

It is hereby declared that the Property shall be held, sold, conveyed, leased, rented, encumbered and used, subject to the following Restated Declaration and the covenants, restrictions, limitations, and conditions contained herein, all of which shall constitute covenants which run with the Land and shall be binding on and be for the benefit of the Association and all Unit Owners of all or any part of the Property, together with their grantees, successors, heirs, executors, administrators, devisees and assigns, all as set forth herein.

The statements set forth in the above recitals are hereby approved and accepted as accurate and shall constitute part of this Restated Declaration.

## **ARTICLE I DEFINITIONS**

When used in this Restated Declaration (including that portion hereof captioned "Recitals" and in the Bylaws attached hereto as Exhibit "C") the terms used shall have the meaning stated in the Utah Condominium Ownership Act and as follows, unless the context otherwise requires:

- 1.1 **Act** shall mean and refer to the Utah Condominium Ownership Act (Title 57, Chapter 8, Utah Code Annotated) as the same may be amended from time to time.
- 1.2 **Assessment** shall mean and refer to any amount imposed upon, assessed or charged a Unit Owner at the Project.
- 1.3 **Association** shall mean and refer to the Governors Square Condominium Home Owners Association, a Utah non-profit corporation. The rights, powers, obligations and duties of the Association are vested in the Unit Owners acting collectively as "Members" of the Association and in the Management Committee.
- 1.4 **Bylaws** shall mean and refer to the Bylaws of the Governors Square Condominium Home Owners Association, Inc., a copy of which is attached to and incorporated in this Restated Declaration by reference as Exhibit "C".
- 1.5 **Common Areas or Common Areas and Facilities** shall mean and refer to and include:

- a) The land on which the building and other improvements are located.
- b) Those Common Areas and Facilities specifically set forth and designated as such in the Map.
- c) All portions of the Project not specifically included within the individual Units.
- d) All limited Common Areas and Facilities.
- e) The foundations, columns, girders, beams, supports, perimeter walls, roofs and lobbies constituting a portion of or included in the improvements which comprise a part of the Project, and any halls, corridors, stairs, stairways, fire escapes, entrances and exits which are designed for the use of more than one Unit.
- f) All installations for and all equipment connected with the furnishing of Project central services such as gas, water, heat, air conditioning, telephone and electricity.
- g) All tanks, pumps, motors, fans, compressors, ducts and in general all apparatus, installations and facilities included within the Project and existing for common use.
- h) All recreational areas and facilities shown on the Map.
- i) All other parts of the Project normally in common use or necessary or convenient to the Project's use, existence, maintenance, safety or management.
- j) All Common Areas and Facilities as defined in the Act, whether or not expressly listed herein.

1.6 **Common Expenses** shall mean all items, things and sums described in the Act which are lawfully assessed against the Unit Owners in accordance with the provisions of the Act, this Restated Declaration, the Bylaws and such rules, regulations and other determinations and agreements pertaining to the Condominium Project as the Management Committee may from time to time adopt.

1.7 **Condominium** shall mean and refer to ownership of a single unit in this Condominium Project, together with the undivided interest in common in the Common Areas and Facilities of the Project.

1.8 **Condominium Project** or **Project** shall mean and refer to Governor's Square Condominiums.

1.9 **Entire Tract** shall mean and refer to the following described tract of land situate in Salt Lake County, State of Utah, together with all appurtenances thereto:

Commencing North 23°46' West 54.5 feet from the Southwest corner of Block 20, Plat "E", Salt Lake City Survey and running thence North 23°46' West 232.66

feet; thence North 89°33'35" East 167.36 feet; thence South 23°50'13" East, 87.18 feet; thence East 6.29 feet; thence South 5°54'22" West 186.39 feet; thence North 4°39'22" East 50.05 feet; thence North 89°24' West 100 feet to beginning.

SUBJECT TO easements, restrictions and rights-of- way appearing of record or enforceable in law or equity. The property is located within the boundaries of Salt Lake City and is subject to assessments and service charges made thereby.

- 1.10 **Exclusive Use** shall mean and refer to the use of the Limited Common Areas and Facilities.
- 1.11 **Governing Documents** shall mean and refer to this Restated Declaration, all amendments to this Restated Declaration, the Association Bylaws, Articles of Incorporation, and rules and regulations.
- 1.12 **Limited Common Areas and Facilities** or **Limited Common Areas** shall mean those Common Areas designated in the Restated Declaration as reserved for use of a certain Unit or Units to the exclusion of other Units. Limited Common Areas include parking areas associated with the Units as shown on the Map, and include a Unit's deck, balcony and patio.
- 1.13 **Majority or Majority of the Unit Owners** shall mean and refer to the owners of more than fifty percent (50%) in the aggregate in interest of the undivided ownership of the common areas and facilities.
- 1.14 **Management Committee** and the **Committee** shall mean and refer to the Management Committee of the Governors Square Condominium Home Owners Association.
- 1.15 **Map** shall mean and refer to the Record of Survey Map on file in the office of the County Recorder of Salt Lake County, Utah.
- 1.16 **"Member"** shall mean when referring to the Association, each Owner, because he or she is obligated, by virtue of ownership of a condominium Unit to be a Member of the Association, and when referring to the Management Committee, each Owner duly appointed, elected and qualified to serve on that entity.
- 1.17 **Mortgage** shall mean any mortgage, deed of trust or other security instrument by which a Unit or any part thereof is encumbered.
- 1.18 **Mortgagee** shall mean any person named as a Mortgagee or beneficiary under or holder of a mortgage, deed of trust or other security instrument.
- 1.19 **Property** shall mean and refer to the land, the building, all improvements and structures thereon, all easements, rights and appurtenances belonging thereto, and all articles of personal property intended for use in connection therewith.
- 1.20 **Resident** shall mean and refer to any person living, abiding, dwelling, occupying or staying in a Unit. This includes but is not limited to all lessees, tenants and the family

members, agents, representatives, or employees of Owners, tenants or lessees.

- 1.21 **Restated Declaration** shall mean and refer to this Restated and Amended Declaration of Condominium for Governor's Square Condominiums.
- 1.22 **Unit** means a separate physical part of the Project intended for any type of independent use, including one or more rooms or spaces located within the building. Mechanical equipment and appurtenances located within any one Unit or located without said Unit but designated and designed to serve only that Unit, such as appliances, electrical receptacles and outlets, air conditioning compressors and other air conditioning apparatus, fixtures and the like, shall be considered part of the Unit, as shall all decorated interiors, all surfaces of interior structural walls, floors and ceilings, windows and window frames, doors and door frames, and trim, consisting of, inter alia and as appropriate, wallpaper, paint, flooring, carpeting and tile. Partition walls (walls common to two Units), shall be deemed to be part of the Units they separate, and each Unit shall be deemed to include as a part thereof the entire area within and extending to the center of such partition walls. The term "Unit" shall not, however, be deemed to include the perimeter walls, floors and ceilings surrounding such Unit. All pipes, wires, conduits, or other public utility lines or installations constituting a part of the Unit and serving only the Unit, and any structural members or any other property of any kind, including fixtures and appliances within any Unit, which are removable without jeopardizing the soundness, safety or usefulness of the remainder of the building within which the Unit is situated shall be considered part of the Unit. The term "Unit shall not be deemed to include the pipes, wires, conduits, or other utility lines running through or under such Unit.
- 1.23 **Unit Number** shall mean and refer to the number, letter, or combination thereof which designates a Unit in the attached Exhibit "B" and on the Map.
- 1.24 **Unit Owner** or **Owner** shall mean and refer to the Owner of the fee in a Unit and of an undivided interest in the fee simple estate of the Common Areas and Facilities which are appurtenant thereto. In the event a Unit is the subject of an executory contract of sale, the contract buyer shall, unless the seller and the buyer have otherwise agreed and have informed the Committee in writing of such agreement, be considered the Unit Owner for all purposes.
- 1.25 To the extent applicable to the tenure hereof and not inconsistent herewith, definitions contained in the Act are incorporated herein by reference and shall have the same effect as if expressly set forth herein and made a part hereof.

## ARTICLE II SUBMISSION TO THE ACT

- 2.1 The Owners hereby submits to the provisions of the Act all of the real property situated in the County of Salt Lake, State of Utah, described in the attached Exhibit "A".

**ARTICLE III  
COVENANTS, CONDITIONS AND RESTRICTIONS**

The foregoing submission is made upon and under the following covenants, conditions and restrictions:

- 3.1 **Description of Improvements.** The improvements included in the Project are now located upon the tract described above, and all of such improvements are described on the Map. The Map shows the number of stories, the number of Units which are contained in the building which comprises a part of such improvements, the recreational areas and facilities, and other significant facts relating to such improvements. Every Unit will have one covered parking space for one automobile which shall be used in connection with such Unit to the exclusion thereof of other Owners except by invitation. The building is of wood frame construction with stucco exterior.
- 3.2 **Legal Status of Units.** The Map shows the Unit number of each Unit, its location, dimensions from which its area may be determined, those Limited Common Areas which are reserved for its use, and the Common Areas to which it has access. All units shall be capable of being independently owned, encumbered and conveyed.
- 3.3 **Contents of Exhibit "B."** Exhibit "B" attached to this Restated Declaration furnishes the following information with respect to each Unit: (a) Unit Number; (b) its approximate square footage; (c) its par value based on points; and (d) its appurtenant undivided ownership interest in the Common Areas.
- 3.4 **Common and Limited Common Areas.** Neither the ownership of an undivided interest in the Common Areas nor the right of exclusive use of a Limited Common Area shall be separated from the Unit to which it appertains and, even though not specifically mentioned in the instrument of conveyance, such ownership of an undivided interest and such right of exclusive use shall automatically accompany the conveyance of the Unit to which they relate.
- 3.5 **Determination of Interest in Common Areas.** The proportionate share of each of the Unit Owners in the Common Areas of the Project is based on the approximate par value that each of the Units bear to the approximate total par value of all the Units. The proportionate share of ownership in the Common Areas shall be used for other purposes including, but not limited to, establishing voting rights of owners and the assessment of Common Expenses. The maximum interest of each of the Unit Owners in the Common Areas shall be as set forth in Exhibit "B."
- 3.6 **Title.** Title to a Unit may be held or owned by any entity and in any manner in which title to any other real property may be held or owned in the State of Utah, including, without limitation, joint tenancy or tenancy in common.



- 3.7 **No Separation.** No part of a Unit or of the legal rights comprising ownership of a Unit may be separated from any other part thereof during the period of Condominium ownership described herein, so that each Unit, the undivided interest in the Common Areas appurtenant to such Unit, and the exclusive right to use and occupy the Limited Common Areas appurtenant to such Unit, shall always be conveyed, devised, encumbered, and otherwise affected together and shall never be separated from one another. Every gift, devise, bequest, transfer, encumbrance, or other disposition of a Unit or any part thereof shall constitute a gift, devise, bequest, transfer, encumbrance or conveyance, respectively, of the entire Unit, together with all appurtenant rights created by law or by this Restated Declaration.
- 3.8 **No Partition.** The Common Areas shall be owned in common by all the Owners of Units, and no Unit Owner may bring action for partition thereof.

#### **ARTICLE IV COMMON AREA AND EASEMENTS**

- 4.1 **Use of Common Areas and Limited Common Areas.** Subject to the limitations contained in the Restated Declaration, any Unit Owner shall have the non-exclusive right to use and enjoy the Common Areas and shall have the exclusive right to use and enjoy the Limited Common Areas designated herein (and on the Map) for exclusive use by such Unit Owner.
- 4.2 **Unit Maintenance.** Each Owner shall, at his sole cost and expense, maintain, repair, paint, re-paint, tile, paper or otherwise refinish and decorate the interior surfaces of the walls, ceilings, floors, windows and doors forming the boundaries of such Unit and all walls, ceiling, floors, windows and doors within such boundaries. In addition to decorating and keeping the interior of such Unit in good repair and in a clean and sanitary condition, Owner shall be responsible for the maintenance, repair or replacement of any plumbing fixtures, water heater, heating equipment, air conditioner, lighting fixtures, refrigerator, dishwasher, disposal equipment, range, or other appliance or fixtures that may be in, or connected with, such Unit.
- 4.3 **Maintenance of Limited Common Areas.** Each Owner shall at his sole cost and expense keep the Limited Common Areas designed for use in connection with such Unit in a clean, sanitary and attractive condition at all times. The Association is responsible for the repair and replacement of the Limited Common Areas.
- 4.4 **Easement for Encroachment.** If any part of the Common Areas encroaches or shall hereafter encroach upon a Unit or Units, an easement for such encroachment and for the maintenance of the same shall and does exist. If any part of a Unit encroaches or shall hereafter encroach upon the Common Areas, or upon an adjoining Unit or Units, an easement for such encroachment and for the maintenance of the same shall and does exist. Such encroachments shall not be considered to be encumbrances either to the Common Areas or the Units. Encroachments referred to herein include, but are not

limited to, encroachments caused by error in the original construction of the building(s) on the Tract, by error in the Map, by setting, rising or shifting of the earth, or by changes in position caused by repair or reconstruction of the Project or any part thereof.

- 4.5 **Access for Repair of Common Areas.** Some of the Common Areas are or may be located within the Units or may be conveniently accessible only through the Units. The Owners of the other Units shall have the irrevocable right, to be exercised by the Committee, as their agent, to have access to each Unit and to all Common Areas from time to time during such reasonable hours as may be necessary for the maintenance, repair or replacement of any of the Common Areas located therein or accessible therefrom or for making emergency repairs therein necessary to prevent damage to the Common Areas or to another Unit or Units. The Committee shall also have such rights independent of the above referenced agency relationship. Damage to the interior of any part of a Unit or Units resulting from the maintenance, repair, emergency repair, or replacement of any of the Common Areas or as a result of emergency repairs within another Unit at the insistence of the Committee or of Unit Owners shall be repaired by the same and shall be restored substantially to the same condition as existed prior to the damage; provided, however, that if such damage is the result of negligence of the Owner of a Unit, then such Owner shall be financially responsible for all such damage. Amounts owed by Owners pursuant to the foregoing provision shall be collected by the Committee by assessment.
- 4.6 **Right of Ingress, Egress, Lateral Support.** Each Owner shall have the right to ingress and egress over, upon and across the Common Areas as necessary for access to his Unit, and to any Limited Common Areas designated for use in connection with his Unit, and each Owner shall have the right to the horizontal and lateral support of his Unit, and such rights shall be appurtenant to and pass with the title to each Unit.
- 4.7 **Easement to Association.** The Association shall have non-exclusive easements to make such use of the Common Areas as may be necessary or convenient to perform the duties and functions which it is obligated or permitted to perform pursuant to this Restated Declaration or otherwise.
- 4.8 **Easement for Utility Services.** There is hereby created a blanket easement upon, across, over and under the tract above described in Article 1.9 for ingress, egress, installation, replacement, repair, and maintenance of all utilities, including but not limited to, water, sewer, gas, telephone, electricity, and other utility services.
- 4.9 **Easements to Pass.** All conveyances of Units hereafter made shall be construed to grant, reserve, and be subject to such reciprocal easements as are provided for herein, even though no specific reference to such easements appears in any such conveyance.
- 4.10 **Legal Description of a Unit.** Every conveyance or contract for the sale of a Unit and every other instrument affecting title to a Unit may describe that Unit by the number shown on the Map with the appropriate reference to the Map and to this Restated Declaration, as each shall appear on the records of the County Recorder of Salt Lake County, Utah and in substantially the following form:

Unit \_\_\_\_\_ as shown in the Record of Survey Map for Governor's Square Condominiums appearing in the Records of the County Recorder of Salt Lake County, Utah, in Book No. \_\_\_\_\_, Page No. \_\_\_\_\_, of Plats, and as defined and described in the Restated Declaration of Condominium of Governor's Square Condominiums appearing in such Records in Book No. \_\_\_\_\_, Page No. \_\_\_\_\_.

The conveyance is subject to the provisions of the aforesaid Restated Declaration of Condominium of Governor's Square Condominiums.

Such description will be construed to describe the Unit, together with the appurtenant undivided interest in the Common Areas, and to incorporate all rights incident to ownership of a Unit and all the limitations on such ownership as described in this Restated Declaration and/or the Bylaws.

## ARTICLE V MANAGEMENT COMMITTEE

5.1 **Authority and Power of Committee.** Except as hereinafter provided, the Project shall be managed, operated, and maintained by the Association through its Management Committee as agent for the Unit Owners. The Committee shall, in connection with its exercise of any of the powers hereinafter provided, constitute a legal entity capable of dealing in the Association's name. The Management Committee shall have, and is hereby granted, the following authority and powers:

- a) The authority without the vote or consent of the Unit Owners or of any other person to grant or create, on such terms as it deems advisable, utility and similar easements over, under, across, and through the Common Areas.
- b) The authority to execute and record, on behalf of all of the Unit Owners, any amendments to the Restated Declaration or the Map which have been approved by the vote or consent necessary to authorize such amendment.
- c) The power to sue and be sued.
- d) The authority to enter into contracts relating to the Common Areas and other matters over which it has jurisdiction, so long as any vote or consent of the Unit Owners necessitated by the subject matter of the agreement has been obtained.
- e) The power and authority to convey or transfer any interest in real property, so long as the vote or consent necessary under the circumstances have been obtained.
- f) The power and authority to purchase, or otherwise acquire, and accept title to, any interest in real property so long as such action has been authorized by any vote or consent which is necessary under the circumstances.
- g) The power and authority to add any interest in real property obtained pursuant to subparagraph vi immediately above to the Project, so long as such action has been

authorized by the necessary vote or consent and is authorized by an amendment to this Restated Declaration, or otherwise.

- h) The authority to adopt, publish and enforce such reasonable rules, regulations, and procedures as may be necessary or desirable to aid the Committee in carrying out its functions or to insure that the Project is maintained and used in a manner consistent with the interests of the Unit Owners.
- i) The power and authority to perform any other acts and to enter into any other transactions which may be reasonably necessary for the Committee to perform its functions as agent for the Unit Owners. Any instrument executed by the Committee relating to the Common Areas of the Project that recites facts which, if true, would establish the Committee's power and authority to accomplish through such instrument what is purported to be accomplished thereby, shall conclusively establish said power and authority in favor of any person who in good faith and for value relies upon said instrument.

5.2 **Composition of Committee; Election; Vacancy.** The Management Committee shall be composed of five (5) members. Committee members shall be elected for two-year terms, with two members of the Management Committee elected one year, and three elected the next year. Members shall serve on the Committee until their successors are elected and qualify. Only Unit Owners or spouses of Unit Owners, and officers, directors, agents and employees of corporate or other Owners other than individuals, shall be eligible for Committee membership. At the annual meeting, each Unit Owner may vote his percentage of undivided ownership interest in favor of as many candidates for Committee membership as there are seats on the Committee to be filled. In the case of a vacancy (unless the vacancy is caused by the Owners voting to remove a Committee Member as discussed below), the remaining Committee members shall elect a replacement to sit on the Committee until the expiration of the term for which the member being replaced was elected. Committee members shall be reimbursed for all expenses reasonably incurred in connection with Committee business but shall receive no compensation for any services they may render the Association as Committee members. A Committee member may be removed by the vote of more than sixty percent (60%) of the undivided ownership of the common areas at any regular or special meeting of the Unit Owners. If a Committee Member is removed by the vote of the Owners at a regular or special meeting, then the Owners shall elect a new Committee Member at the same meeting to sit on the Committee until the expiration of the term for which the member being replaced was elected.

5.3 **Rights and Duties.**

- a) The business, property and affairs of the Project shall be managed and governed by the Management Committee. Subject to the rights and duties of the Owners, the Committee shall be responsible for the exclusive control and management of the Common Areas and all improvements thereon (including furnishings and equipment related thereto), and shall cause the same to be kept in good, clean,

attractive and sanitary condition, order and repair; provided, however, that each Owner shall keep the Limited Common Areas associated with his Unit in good, clean, safe, sanitary and attractive condition. The Committee shall be responsible for the maintenance and repair of exterior surfaces of the buildings, including, without limitation, the painting of the same as often as necessary, the replacement of trim, the maintenance and repair of roofs, and the maintenance, repair, and replacement of all other Common Areas. The specification of duties of the Committee with respect to particular Common Areas shall not be construed to limit its duties with respect to other Common Areas. The cost of such management, operation, maintenance, and repair by the Committee shall be borne by Assessment as hereinafter provided. The Committee may utilize a manager in carrying out any of its functions which are capable of delegation. The manager so engaged shall be responsible for managing the Common Areas and shall, to the extent permitted by law and the terms of the agreement with the Association, be authorized to perform any of the functions or acts required or permitted to be performed by the Committee itself on behalf of the Association and the Owners.

- b) The Committee may make and enforce reasonable rules and regulations governing the use of the units and of the Common Areas, which rules and regulations shall be consistent with the rights and duties established in this Restated Declaration. The Committee may suspend any Owner's voting rights at the meeting of Unit Owners during any period or periods during which such Owner fails to comply with such rules and regulations, or with any other obligation of such Owner under this Restated Declaration. The Committee may take judicial action against any Owner to enforce compliance with such rules and regulations or other obligations or to obtain damages for non-compliance.
- c) The Committee may exercise any other right or privilege given to it expressly by this Restated Declaration or by law, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

5.4 **Payment for Services.** The Management Committee may obtain and pay for the services of any person or entity to manage its affairs, or any part thereof, as well as such other personnel as the Committee shall determine to be necessary or desirable for the proper operation of its functions in the Project. The Committee may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Project or the enforcement of this Restated Declaration.

5.5 **Personal Property Ownership and Use.** The Committee may acquire and hold in the name of the Association, for the use and the benefit of all of the Owners, tangible and intangible personal property and may dispose of the same by sale or otherwise, and the beneficial interest in any such property shall be deemed to be owned by the Owners in the same proportion as their respective interests in the Common Areas. Such interest shall not be transferrable except with the transfer of a Unit. A transfer of a Unit shall transfer ownership of the transferor's beneficial interest in such property to the transferee without

any reference thereto, and such beneficial interest may in no event be reserved by the transferor of a Unit.

- 5.6 **Capital Improvements.** There shall be no structural alterations, capital additions to, or capital improvements of, the Common Areas requiring expenditure in excess of \$5,000.00 without the prior approval of Unit Owners holding a majority of the voting power.

## **ARTICLE VI ASSESSMENTS**

- 6.1 **Agreement to Pay Assessments.** Each Owner of a Unit, by the acceptance of a deed or contract therefor, whether or not it be so expressed in the deed or contract, shall be deemed to covenant and agree with each and every other Owner and with the Association to pay annual assessments made by the Association for the purposes provided in this Restated Declaration and to pay special assessments for capital improvements and other matters as provided in this Restated Declaration. Such assessments shall be fixed, established, and collected from time to time in the manner provided herein.
- 6.2 **Annual Assessments.** Total annual assessments against all Units shall be based upon advance estimates of the Association's cash requirements to provide for the payment of all estimated expenses arising out of or connected with the maintenance and operation of the Common Areas and furnishing other common items and services to the Units; which estimates may include, among other things: expenses of management; taxes and special assessments levied by governmental authorities unless and until such time as the Units are separately assessed; premiums for all insurance which the Association is required or permitted to maintain hereunder; common lighting; water charges; the repair, maintenance and replacement of Common Areas; wages for employees of the Association; legal and accounting fees; any deficit remaining from a previous period; the creation of a reasonable contingency reserve, surplus, and/or sinking fund; and any other expenses and liabilities which may be incurred by the Association for the benefit of the Owners under or by reason of this Restated Declaration.
- 6.3 **Apportionment of Expenses.** Expenses attributable to the Common Areas and to the Project as a whole shall be apportioned among and assessed to all Owners in proportion to their respective undivided interests in the Common Areas.
- 6.4 **Payment of Annual Assessments.** Annual assessments shall be made on a calendar year basis. The Committee shall give written notice to each Owner as to the amount of the annual assessment with respect to his Unit not less than thirty (30) days nor more than sixty (60) days prior to the beginning of the next calendar year; provided, however, that the first annual assessment shall be for the balance of the calendar year remaining after the day fixed by the Association as the date of commencement of the assessment. Each annual assessment shall be due and payable in monthly installments. The Management Committee shall have the authority to charge a late fee of up to \$50.00 for each assessment (including monthly and special assessments) that is not paid by within 15

days of the assessment's due date. Each monthly assessment shall bear interest at the rate of twelve percent (12%) per annum from the date it becomes due and payable if not paid within thirty (30) days after such date. Such monthly assessment becomes payable upon the date the Unit Owner purchases his Unit whether by conveyance of title or entering into a contract of sale and purchase, and thereafter each monthly payment shall be due and payable on the first day of each and every month in advance.

- 6.5 **Inadequate Funds.** In the event that the annual assessment proves to be inadequate during any calendar year for whatever reason, including nonpayment of any Owner's assessment, the Association may levy additional assessments in accordance with the procedure set forth herein.
- 6.6 **Special Assessments.** In addition to the annual assessments authorized herein, the Committee may levy in any assessment year, special assessments, subject to the provisions of Section 5.6 above, payable over such a period as the Committee may determine, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair, or replacement of the Common Areas or any other part of the Project, or for any other expenses incurred or to be incurred as provided in this Restated Declaration. This subparagraph shall not be construed as an independent source of authority for the Committee to incur expenses, but shall be construed to prescribe the manner of assessing for expenses authorized by other paragraphs hereof. Any amounts assessed pursuant hereto shall be assessed to Owners in proportion to their respective undivided interests in the Common Areas. Notice in writing of the amount of such a special assessment and the time for payment thereof shall be given promptly to the Owners, and no payment shall be due less than thirty (30) days after such notice shall have been given. A special assessment shall bear interest at the rate of twelve percent (12%) per annum from the date it becomes due and payable if not paid within thirty days after such date.
- 6.7 **Individual Assessments.** In addition to other assessments authorized under this Article 6, the Association may levy against any Owner an individual assessment, payable to the Association over such periods as the Association may determine, for the purpose of paying, in whole or in part, the cost of replacing, repairing, cleaning, or otherwise correcting any damage to Units or Common Areas caused by the intentional or negligent act or omission of any such Owner, his family, guests, invitees, or licensees, except for damages arising from normal wear and tear.
- 6.8 **No Waiver of Assessments.** The failure of the Association, before the expiration of any calendar year, to fix and/or give notice of the assessments hereunder for that or the next year, shall not be deemed a waiver or modification in any respect of the provisions of this Restated Declaration, or a release of the Owner from the obligation to pay assessments or any installment thereof for that or any subsequent year. However, the date on which payment for such assessments shall become due shall be deferred to a date thirty (30) days after notice thereof shall have been mailed, but in no event sooner than January 1 of the calendar year to which such assessment relates.

## 6.9 Lien for Unpaid Assessments.

- a) All sums assessed to any Unit pursuant to this Article 6, together with interest thereon as provided herein, shall be secured by a lien on such Unit in favor of the Association. Such lien shall be superior to all other liens and encumbrances on such Unit, except only for (a) valid tax and special assessment liens on that Unit in favor of any governmental assessing authority; and (b) encumbrances on the interest of the Unit Owner recorded prior to the date notice of the lien provided for herein is recorded, which by law would be a lien prior to subsequently recorded encumbrances. All other lienors acquiring liens on any Unit after this Restated Declaration shall have been recorded shall be deemed to consent that such liens shall be inferior to future liens for assessments, as provided herein, whether or not such consent be specifically set forth in the instruments creating such liens.
- b) To evidence a lien for sums assessed pursuant to this Article 6, the Committee may prepare a written notice of lien setting forth the amount of the assessment, the due date, the amount remaining unpaid, the name of the Owner, and a description of the Unit. Such notice shall be signed by the Committee President or Treasurer, attorney or the property manager and recorded in the office of the County Recorder of Salt Lake County, Utah. No notice of lien shall be recorded until there is a delinquency in payment of the assessment. Such lien may be enforced by judicial or non-judicial foreclosure by the Association in the same manner in which mortgages or trust deeds on real property may be foreclosed in Utah. The execution of a substitution of trustee form authorized in Utah Code Section 57-1-22 is sufficient for appointment of a trustee. In any such foreclosure, the Owner shall be required to pay the cost and expenses of such proceeding, the cost and expenses of filing the notice of lien, and all reasonable attorney's fees. All such costs, expenses, and fees shall be secured by the lien being foreclosed. The lien shall also secure, and the Owner shall also be required to pay to the Association, any assessments against the Unit which shall become due during the period of foreclosure. The Association shall have the right and power to bid an amount equal to its then existing lien at the foreclosure sale or other legal sale and to acquire, hold, convey, lease, rent, encumber, use, and otherwise deal with the Unit as the Owner thereof.
- c) A release of notice of lien shall be executed by the Committee President or Treasurer or the Manager and recorded in the office of the County Recorder of Salt Lake County, Utah, upon payment of all sums secured by a lien which has been made the subject of a recorded notice of lien.
- d) Any encumbrancer holding a lien on a Unit may pay, but shall not be required to pay, any amounts secured by the lien created under this Article 6, and upon such



payment such encumbrancer shall have a lien on such Unit for the amounts paid of the same rank as the lien of his encumbrance.

- e) The Committee shall report to any encumbrancer of a Unit any unpaid assessments remaining unpaid for longer than thirty (30) days after the same shall have become due provided, however, that such encumbrancer first shall have furnished to the assessing body written notice of such encumbrance.
- 6.10 **Reserve Fund.** The Management Committee shall cause a reserve analysis to be conducted no less frequently than required by the Act, which currently is every six years. The Management Committee shall thereafter review and, if necessary, update a previously conducted reserve analysis and comply with the remaining requirements of the Act relative to reserve funds.
- 6.11 **Personal Obligation Assessments.** The amount of any annual assessment, special assessment, or individual assessment against any Unit shall be the personal obligation of the Owner thereof to the Association. Suit to recover a money judgment for such personal obligation shall be maintainable by the Association without foreclosing or waiving the lien securing the same. No Owner may avoid or diminish any personal obligation by waiver of the use and enjoyment of any of the Common Areas or by abandonment of his Unit.
- 6.12 **Statement of Account.** Upon payment of a reasonable fee not to exceed the sum of Ten Dollars (\$10.00) or such other amount as may be allowed by the Act, and upon written request of any Owner or mortgagee, prospective mortgagee, or prospective purchaser of a Unit, the Committee shall issue a written statement setting forth the amount of the unpaid assessments, if any, and the date such assessments become or became due, with respect to such Unit the amount of the current yearly assessment, and the portion thereof which has theretofore been paid; credit for advance payments or prepaid items, including, but not limited to, an Owner's share of prepaid insurance premiums and such statement shall be conclusive upon the Committee in favor of persons who rely thereon in good faith. Unless such request for a statement of account shall be complied with within ten (10) days after receipt of the request, all unpaid assessments which became due prior to the date of making such request shall be subordinate to the lien held by the person requesting the statement. Where a prospective purchaser makes such request, both the lien for such unpaid assessments and the personal obligations of the purchaser shall be released automatically if the statement is not furnished within the said ten (10) day period and thereafter an additional written request is made by such prospective purchaser which request is not complied with within an additional ten (10) day period and the purchaser subsequently acquires the Unit.
- 6.13 **Purchaser's Obligation.** Subject to the provisions of subparagraph (h), a purchaser of a Unit shall be jointly and severally liable with the seller for all unpaid assessments against the Unit up to the time of the grant or conveyance, without prejudice to the purchaser's right to recover from the seller the amount paid by the purchaser for such assessments.

**ARTICLE VII  
COLLECTION OF DELINQUENT HOA FEES FROM TENANT**

- 7.1 **Lease Payment.** In the event an Owner is delinquent in the payment of Assessments to the Association, as authorized in the Act, the Association may require a tenant under a lease with a Unit Owner to pay the Association all future lease payments due to the Unit Owner.
- 7.2 **Collecting HOA Fees from Renters.** If the Owner of a Unit who is leasing the Unit fails to pay any Assessment for a period of more than sixty (60) days after it is due and payable, the Management Committee may require the tenant to pay to the Association all future lease payments due the Owner, commencing with the next monthly or other periodic payment, until the amount due to the Association is paid.
- 7.3 **Notice to Unit Owner.** The Management Committee shall give the Unit Owner written notice of the Management Committee's intent to demand full payment of all delinquent Assessments from the Owner's tenant. This notice shall be sent by regular First Class mail to the last known address of the Owner, as provided on the records of the Salt Lake County recorder or as provided by the Unit Owner to the Management Committee. The notice shall inform the Owner that all delinquent Assessments must be paid to the Association within fifteen (15) days from the date the notice is mailed to the Unit Owner, and if payment is not received within fifteen (15) days, that the Management Committee shall notify the tenant that future lease payments shall be paid to the Association and not to the Unit Owner. The notice shall also state:
- a) the amount of the Assessment due, including any interest, late fee, collection cost, and attorney fees;
  - b) that any costs of collection, including attorney fees, and other Assessments that become due may be added to the total amount due and be paid through the collection of lease payments; and
  - c) that the Association intends to demand payment of future lease payments from the Unit Owner's tenant if the Unit Owner does not pay the amount owing within 15 days.
- 7.4 **Notice to Tenant.** If the Unit Owner fails to pay the amount of the Assessment due within the fifteen (15) day period specified in the notice, the Management Committee shall deliver written notice to the tenant informing the tenant that all future payments due from the tenant to the Owner shall be paid to the Association. The notice to the tenant shall be served on the tenant by: (1) posting a notice on the door of the tenant's Unit, (2) mailing a notice to the tenant at the address of the Unit, or (3) delivering notice personally to the tenant. A copy of the notice shall be mailed to the Unit Owner. The notice provided to the tenant shall also state:
- a) that due to the Owner's failure to pay the Assessment within the time period allowed, the Owner has been notified of the Management Committee's intent to collect all lease payments due to the Association until the amount owing is paid.

- b) that until notification by the Association that the Assessment due, including any interest or late payment fee, has been paid, all future lease payments due to the Owner are to be paid to the Association; and
  - c) the law requires the tenant to make all future lease payments, beginning with the next monthly or other periodic payment, to the Association, until the amount owing is paid.
  - d) payment by the tenant to the Association will not constitute a default under the terms of the lease agreement with the Unit Owner/landlord. If payment is in compliance with this notice, suit or other action may not be initiated by the Owner against the tenant for failure to pay.
- 7.5 **Disbursement of Funds Collected.** All funds paid to the Association pursuant to the notice shall be deposited in a separate account and disbursed to the Association until the Assessment due, together with any cost of administration which may not exceed \$25, is paid in full. Any remaining balance must be paid to the Unit Owner within five business days of payment in full to the Association.
- 7.6 **Terminating Collection.** Within five business days of payment in full of the Assessment, including any interest or late payment fee, the Management Committee must notify the tenant in writing that future lease payments are no longer due to the Association. A copy of this notification shall be mailed to the Unit Owner.
- 7.7 **Definition of Lease.** As used in this section, "lease" or "leasing" means regular, exclusive occupancy of a Unit by any Person or persons, other than the Unit Owner, for which the Unit Owner receives any consideration or benefit, including a fee, service, gratuity, or emolument.

## ARTICLE VIII USE OF CONDOMINIUM AND COMMON AREAS

- 8.1 **Single Family Housing Use.** Each of the Units in the Project is intended to be used for single family residential housing and is restricted to such use.
- 8.2 **Restrictions Concerning Common Areas.** There shall be no obstructions of the Common Areas by any Owner, or any tenant, guest, invitee, or licensee of an Owner without the prior written consent of the Committee. The Committee may make reasonable rules and regulations prohibiting or limiting or governing the use of the Units and Common Areas to protect the interests of all the Owners and/or to protect the Units or the Common Areas. The rules and regulations shall be consistent with the rights and duties established by this Restated Declaration. Nothing shall be kept or stored on any part of the Common Areas without the prior written consent of the Committee, except as specifically provided herein. Nothing shall be altered on, constructed in, or removed from the Common Areas except upon the prior written consent of the Committee.
- 8.3 **Offensive Activity.** No noxious, destructive, offensive, or illegal activity shall be carried on in any Unit, in any Limited Common Area or Common Area, nor shall anything be

done therein which may be or become an annoyance or nuisance to the other Owners or to any person lawfully residing in the complex.

No work, maintenance or repair of automobiles (i.e. oil changes, brake jobs, tune ups & tire rotations) may be done on Governors Square' property (roadways & parking areas). Residents may however, make emergency minor vehicle adjustments.

- 8.4 **General Restrictions.** Without the prior written consent of the Committee, nothing shall be done or kept in any Unit or in the Common Areas or any part thereof which would result in the cancellation of any insurance on the Project or any part thereof or the increase of the rate of any insurance on the Project or any part thereof over what the Association, but for such activity, would pay. Nothing shall be done or kept in any Unit or in the Common Areas or any part thereof which would be a violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body. No damage to, or waste of, the Common Areas or any part thereof shall be committed by any Owner or any guest, lessee, licensee, or invitee of any Owner, and each Owner shall indemnify and hold the Association and the Owners harmless against all loss resulting from any such damage or waste caused by him or his invitees. No noxious, destructive, offensive or hazardous activity shall be carried on in or upon any part of the Project, nor shall anything be done therein which is or may become a nuisance or may cause embarrassment, disturbance, or annoyance to any Owner or to any person at any time lawfully residing in the Project or which may become unsafe or hazardous to any person or property. Each Unit shall be maintained so as not to detract from the appearance of the Project and so as not to adversely affect the value or use of any other Unit.
- 8.5 **Animals.** No animals or birds of any kind shall be raised, bred, kept, or allowed to remain in any Unit or in the Common Areas until written authorization is obtained from the Committee, except that cats and dogs of household variety may be kept in the Units; provided, however, that both cats and dogs must be exercised on a leash in the Common Areas, and provided, further, that rules and regulations concerning cats and dogs shall be strictly observed. The Committee, in its sole discretion, shall have the right to revoke any such authorization at any time.
- 8.6 **Rules and Regulations.** No Owner shall violate the rules and regulations for the use of the Units and Common Areas as adopted from time to time by the Management Committee.
- 8.7 **Requirements of Board of Adjustment Order.** On December 3, 1979, the Board of Adjustment of Salt Lake City, Utah, entered its Findings and Order in Case No. 8180 allowing a variance to legalize the location of the detached carports which are located in the side yard of the Property. The Property and this Restated Declaration shall be subject to all conditions and requirements set forth in the said Findings and Order.
- 8.8 **Restriction on Signs.** No signs, flags or advertising devices of any nature, including, without limitation, commercial, political, informational, or directional signs or devices, shall be erected or maintained on any part of the Project, without the prior inspection and

written approval of the Committee, except as may be necessary temporarily to caution or warn of danger.

## **ARTICLE IX INSURANCE**

9.1 **Insurance and Bond.** The Management Committee shall secure or cause to be secured and maintained at all times the following insurance and bond coverages:

- a) **Fire and Casualty Insurance.** A policy or policies of fire and casualty insurance, with extended coverage endorsement, for the full insurable replacement value of the entire Project as set forth in the Utah Condominium Ownership Act. Such policy or policies shall name as insured the Association, as trustee for the Owners, and all persons holding an interest in the Project or any of the Units, as their interests may appear. Each policy or policies shall provide a standard, non-contributory mortgagee clause in favor of each mortgagee which from time to time shall give notice to the Association of such mortgage. Each policy also shall provide that it cannot be cancelled by either the insured or the insurance company until after ten (10) days prior written notice is first given to each Owner and to each mortgagee who has requested such notice in writing. The Association shall, upon request, furnish to each Owner a certificate of coverage.
- b) **Fidelity Insurance or Bond.** Appropriate fidelity insurance or a bond to protect against dishonesty of members of the Management Committee and any person or entity handling funds of the Committee, including, but not limited to, employees of the professional managers, the minimum amount of such coverage to be as required by the Federal National Mortgage Association and/or the Federal Home Loan Mortgage Corporation.
- c) **Public Liability and Property Damage Insurance.** A policy or policies insuring the Association, the Manager, and each Owner against any liability incident to the ownership, operation, maintenance, or other use of the Project or of any Unit which may arise among themselves, to the public, and to any invitees, guests, or tenants of the Project or of the Unit Owners. Limits of liability under such insurance shall be not less than \$300,000.00 for any person injured, \$1,000,000.00 for all persons injured in any one accident, and \$100,000.00 for property damage resulting from one occurrence. Such policies shall be issued on a comprehensive liability basis and shall provide a cross liability endorsement to which the rights of the named insureds as between themselves are not prejudiced. Each such policy shall provide that it cannot be cancelled either by the insured or the insurance company until after ten (10) days written notice to each and all of the insureds.
- d) **Workmen's Compensation Insurance.** The Association shall obtain workmen's compensation and employer's liability insurance and all other similar insurance with respect to employees of the Association in the amounts and in the forms now or hereafter required by law.

- e) **Additional Insurance Provisions.** The following additional provisions shall apply with respect to insurance:
- i) In addition to the insurance described above, the Association shall secure and at all times maintain insurance against such risks as are or hereafter may be customarily insured against in connection with condominium projects similar to the Project in construction, nature and use. The provisions of this Restated Declaration shall not be construed to limit the power or authority of the Association to obtain and maintain insurance coverage in addition to any insurance coverage required by this Restated Declaration, in such amounts and in such forms as the Association may deem appropriate from time to time.
  - ii) The Association shall have the authority to adjust losses.
  - iii) In no event shall the insurance coverage secured and maintained by the Association be brought into contribution with insurance held by individual Unit Owners or their mortgagees.
  - iv) Each policy of insurance obtained by the Association shall, if possible, provide: a waiver of the insurer's subrogation rights with respect to the Association, the Management Committee members, the Manager, the Unit Owners, and their respective servants, agents, and guests that it cannot be cancelled, suspended, or invalidated due to the conduct of any member, officer, or employee of the Association or of the Manager without a prior written demand that the defect be cured; and that any "no other insurance" clause therein shall not apply with respect to insurance held individually by Unit Owners.
  - v) The Association shall review annually the coverage and policy limits of all insurance on the Project and adjust the same at its discretion. Such annual review shall include an appraisal of the improvements in the Project by a representative of the insurance carrier or carriers providing the policy or policies on the Project, or such other qualified appraisers as the Association may select.
  - vi) Each Unit Owner may (and should) obtain additional insurance at his own expense in the form of an HO-6 policy, so long as such additional insurance does not have the effect of decreasing the amount which may be realized under any policy maintained by the Association.
  - vii) Notwithstanding anything herein contained to the contrary, insurance coverages must be in such amounts and meet other requirements of the Federal National Mortgage Association and/or the Federal Home Loan Mortgage Corporation, and the Utah Condominium Ownership Act.

**ARTICLE X  
DAMAGE OR DESTRUCTION**

- 10.1 **Association as Attorney in Fact.** All of the Owners irrevocably constitute and appoint the Association as their true and lawful attorney in fact in their name, place, and stead for the purpose of dealing with the Project upon its damage or destruction as hereinafter provided. Acceptance by any grantee of a deed from any Owner shall constitute appointment by said grantee of the Association as his attorney in fact as herein provided. As attorney in fact, the Association shall have full and complete authorization, right, and power to make, execute, and deliver any contract, deed, or other instrument with respect to the interest of an Owner which may be necessary or appropriate to exercise the powers herein granted.
- 10.2 **General Authority of Association.** Repair and reconstruction of the improvements as used herein means restoring the Project to substantially the same condition in which it existed prior to damage, with each Unit and the Common Areas having substantially the same vertical and horizontal boundaries as before. The Association may take all necessary or appropriate action to effect repair or reconstruction, as attorney in fact for the Owners, and no consent or other action by any Owner shall be necessary in connection therewith. The proceeds of any insurance collected or insurance maintained by the Association shall be available to the Association for the purpose of repair or reconstruction. If the proceeds of the insurance are insufficient to pay the estimated or actual cost of such repair or reconstruction, the Association may levy in advance a special assessment sufficient to provide funds to pay such estimated or actual costs of repair or reconstruction. Such assessment shall be allocated and collected as provided in Section 10.4 of this Article 10. Further levies may be made in like manner if the amounts collected prove insufficient to complete the repair or reconstruction. It shall be deemed that the first money disbursed in payment for cost of repair or reconstruction shall be made from insurance proceeds; if there is a balance remaining after payment of all costs of such repair or reconstruction, such balance shall be distributed to the Owners in proportion to their percentages of ownership of the Common Areas.
- 10.3 **Estimate of Costs.** As soon as practicable after an event causing damage to, or destruction of, any part of the Project, the Committee shall obtain complete and reliable estimates of the costs of repair or reconstruction of that part of the Project damaged or destroyed.
- 10.4 **Procedure Regarding Destruction.** In the event of damage to or destruction of part or all of the improvements in the Project, the following procedures shall apply:
- a) If proceeds of the insurance maintained by the Association are alone sufficient to repair or reconstruct the damaged or destroyed improvement, such repair or reconstruction shall diligently be carried out by the Association.

- b) If less than seventy-five percent (75%) of the Project's improvements are destroyed or substantially damaged, and if proceeds of the insurance maintained by the Association are not alone sufficient to accomplish repair or reconstruction, restoration shall diligently be carried out and all the Unit Owners shall be assessed for any deficiency on the basis of their respective percentages of undivided interests in the Common Areas and Facilities.
- c) If seventy-five percent (75%) or more of the Project's improvements are destroyed or substantially damaged, if proceeds of the insurance maintained by the Association are not alone sufficient to accomplish restoration, and if the Unit Owners within one hundred (100) days after the destruction or damage, by a vote of at least seventy-five percent (75%) of all votes held by all Owners, at a meeting of Owners duly called for such purpose, elect to repair or reconstruct the affected improvements, restoration shall be accomplished in the manner directed under subparagraph (b) immediately above.
- d) If seventy-five percent (75%) or more of the Project's improvements are destroyed or substantially damaged, if proceeds of the insurance maintained by the Association are insufficient to accomplish restoration, and if the Unit Owners do not, within one hundred (100) days after the destruction or damage, by a vote of at least seventy-five percent (75%) of all votes held by all Owners, at a meeting of Owners duly called for such purpose, elect to repair or reconstruct the affected improvements, the Management Committee shall promptly record with the Salt Lake County Recorder a notice setting forth such facts. Upon the recording of such notice the following provisions shall apply and shall govern the rights of all parties having an interest in the Project or any of the Units
1. The Project shall be deemed to be owned in common by the Owners;
  2. The undivided interest in the property owned in common which shall appertain to each Unit Owner shall be the percentage of undivided interest previously owned by such Owner in the Common Areas;
  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 Unit Owner in the Project; and
  4. The Project shall be subject to an action for partition at the suit of any Unit Owner, in which event the net proceeds of sale, together with the net proceeds of the insurance on the property, if any, shall be considered as one fund and shall be divided among all the Owners in a percentage equal to the percentage of undivided interest owned by each Owner in the Project, after first paying out of the respective shares of the Owners, to the extent sufficient for the purposes, all liens on the undivided interest in the Project owned by each Owner.



- 10.5 **Condemnation.** If at any time or times during the continuance of Condominium ownership pursuant to this Restated Declaration, all or any part of the Project shall be taken or condemned by any public authority or sold or otherwise disposed of in lieu of or in avoidance thereof, the following provision shall apply:
- a) **Proceeds.** All compensation, damages, or other proceeds therefrom, the sum of which is hereinafter called the "Condemnation Award," shall be payable to the Association.
  - b) **Complete Taking.** In the event that the entire Project is taken or condemned, or sold or otherwise disposed of in lieu of or in avoidance thereof, the Condominium ownership pursuant hereto shall terminate and the condemnation award shall be divided among all Owners in a percentage equal to the percentage of undivided interest owned by each Owner in the Common Areas in accordance with Exhibit "B" hereto.
  - c) **Partial Taking.** In the event that less than the entire Project is taken or condemned, or sold or otherwise disposed of in lieu of or in avoidance thereof, the Condominium ownership hereunder shall not terminate. Each Owner shall be entitled to a share of the condemnation award to be determined in the following manner: As soon as practicable, the Association shall, reasonably and in good faith, allocate the condemnation award between compensation, severance damages, or other proceeds, and shall apportion the amounts so allocated among and pay the same to the Owners as follows:
    - i) The total amount allocated to taking of or injury to the Common Areas shall be apportioned among all Owners in proportion to their respective undivided interest in the Common Areas;
    - ii) The total amount allocated to severance damages shall be apportioned to those Units which were not taken or condemned;
    - iii) The respective amounts allocated to the taking of or injury to a particular Unit shall be apportioned to the particular Unit involved;
    - iv) The total amount allocated to consequential damages and any other takings or injuries shall be apportioned as the Association determines to be equitable in the circumstances. If an allocation of the condemnation award is already established in negotiation, judicial decree, or otherwise, then in allocating the condemnation award the Association shall employ such allocation to the extent it is relevant and applicable; and
    - v) Distribution of apportioned proceeds shall be made by checks payable jointly to the respective Owners and to their respective mortgagees, as applicable.
  - d) **Reorganization.** In the event a partial taking results in the taking of a complete Unit, the Owner thereof automatically shall cease to be a Member of the

Association. Thereafter, the Association shall reallocate the ownership, voting rights, and assessment ratio in accordance with the Act.

- e) **Reconstruction and Repair.** Any reconstruction and repair necessitated by condemnation shall be governed by the procedures specified herein in this Article 10 covering cases of damage or destruction.

## ARTICLE XI COMMUNITY RULES ASSESSING FINES

- 11.1 **Fines; Authorization.** The Management Committee is authorized to assess a fine against unit owners who violate provisions in the Association's Restated Declaration, Bylaws, or rules and regulations (collectively referred to herein as "Rules"). The assessment of a fine shall be in accordance with the provisions of the Utah Condominium Ownership Act, Utah Code Annotated, section 57-8-37, the provisions of these community rules, and the rules and regulations adopted by the Management Committee.
- 11.2 **Written Warning of Violation.** Before assessing a fine, the Management Committee shall provide a written warning of the violation to the unit owner informing the unit owner that a fine will be imposed if the violation is not cured as stated in the written warning. The written warning shall:
  - a) describe the violation;
  - b) state the Rule or provision of the Governing Documents that the Unit Owner's conduct violates;
  - c) state that the Management Committee may, in accordance with the Utah Condominium Ownership Act, Utah Code Annotated, section 57-8-37, assess fines against the unit owner if (i) the violation is not cured (within the time required for a continuing violation), or (ii) if a similar violation is committed again within one year after the day on which the Management Committee gives the unit owner the written warning or assess a fine against a unit owner; and
  - d) for a continuing violation, state a time that is not less than 48 hours after the day on which the Management Committee gives the unit owner the written warning by which the unit owner shall cure the violation.
- 11.3 **Repeat Violations.** If a violation is temporarily cured or stopped, but the same violation is repeated by the same unit owner or their tenant within one year from the date a written warning is first served or fine is assessed on the unit owner or tenant, the Management Committee shall not be required, prior to assessing a fine or an additional fine, to serve another written warning upon the unit owner or tenant within the one-year period, but may rely upon the notice provided in the first written warning.
- 11.4 **Time to Cure.** For a continuing violation, the violation must be cured within a time that is not less than 48 hours of the written warning that is delivered to the unit owner or the tenant, unless such time period is extended by the Management Committee for good

cause. The member of the Management Committee or their agent that serves the written warning on the unit owner shall write on the notice the (a) date and time the written warning was served on the unit owner or tenant, and (b) the date and time by which the violation must be cured (if the violation is a continuing violation). If a unit owner repeats the violation within one year after receiving the written warning or fails to cure a continuing violation within the time required but less than one year after receiving the warning, the unit owner may be assessed a fine.

- 11.5 **Fines.** The Management Committee may assess a fine against a unit owner if (a) within one year after the day on which the Management Committee gives the unit owner a written warning, the unit owner commits another violation of the same rule or provision identified in the written warning, or (b) for a continuing violation, if the unit owner does not cure the violation within the time period that is stated in the written warning. If the violation is fully and completely cured within the time provided in the written warning, and is not repeated within one year of the time the written warning is first served on the unit owner, no fine may be assessed by the Management Committee.
- 11.6 **Additional Fines.** The Management Committee may, without providing an additional written warning, assess an additional fine against a unit owner each time a unit owner (1) commits a violation of the same rule or provision within one year from the day on which the Management Committee assesses a fine against a unit owner for a violation of the same rule, or (2) allows a violation to continue for 10 days or longer after the day on which the management committee assesses the fine. Additional fines shall be assessed according to the amount stated in the Rules for multiple violations.
- 11.7 **Manner of Providing Written Warning and Fine.** The written warning of a violation of the Rules of the association and the written notice of a fine imposed by the Management Committee may be provided to the unit owner in any one or more of the following ways:
- a) Delivering a copy to the unit owner personally; or
  - b) Sending a copy through first class mail, certified or registered mail (at the discretion of the Management Committee), addressed to the unit owner at his or her place of residence, in which case an additional 48 hours shall be allowed to cure the violation; or
  - c) Leaving a copy with a person of suitable age and discretion at the unit owners unit; or
  - d) Affixing a copy in a conspicuous place on the unit; or
  - e) If the person committing the violation is a tenant of the unit owner, by delivering a copy to the owner and the tenant residing in the unit in any manner described in the preceding four subparagraphs.
- 11.8 **Non Unit Owner Occupied Units: Renters & Guests.** In cases where the unit is not occupied by the unit owner and the violation of the Rules is committed by a tenant

residing in the unit, the unit owner shall be responsible for the failure of the tenant to cure a violation of the Rules. For purposes of the lease between the unit owner and the tenant, the provisions of the Rules and these community rules shall be incorporated by reference into the terms of the lease and the unit owner may collect from the tenant any fines the unit owner becomes obligated to pay by virtue of the tenant's actions. The unit owner is responsible for bringing a separate action to collect any such fines from the tenant. U.C.A. § 57-8-34 states that "All unit owners, tenants of such owners, employees of owners and tenants, or any other person who may in any manner use the property or any part thereof submitted to the provisions of this act shall be subject to this act and to the declaration and bylaws adopted pursuant to the provisions of this act." Residents (defined herein as renters, tenants, guests of unit owners or renters, and any person who temporarily or permanently lives in a unit, but excluding unit owners), are subject to the Rules adopted by the condominium association. Unit owners are ultimately responsible for the activities of Residents who reside in, visit, or in any manner use their condominium unit and the common area. Any fine assessed against a Resident or unit owner shall be joint and several liabilities of the Resident or unit owner as authorized in UCA § 57-8-8.1 (2)(b)(iii)(B). Because Residents are subject to the provisions of the condominium Rules, Residents are also subject to fines in the same manner as a unit owner. Any fine assessed against a Resident may be collected by the unit owner from the resident. If a Resident violates a Rule, both the Resident and the unit owner may be served a written warning as provided above. It shall be the responsibility of the unit owner to see that the Resident cures the violation within the time allotted. Failure of the unit owner to have the Resident timely cure the violation shall subject the unit owner to the fine as provided herein as if the unit owner committed the violation.

- 11.9 **Management Committee Action.** Any action by the Management Committee involving a written warning or a notice of fine may be taken by the Association's managing agent or by any officer of the Management Committee if so authorized or later ratified by a quorum of the Management Committee, consisting of 50% or more of the Management Committee present at a meeting either in person or by telephone conference, or if not present at a meeting, members consenting to the action after conferring with other members of the Management Committee.
- 11.10 **Violations for Which a Fine May be Assessed.** A fine may be assessed for the violation of a provision in the Association's Rules, any amendments thereto, or for a rule describe in Exhibit "D", which is attached and incorporated by this reference. The list of violations of a rule or regulations listed on Exhibit "D" may be modified by the Management Committee pursuant to their power to enact rules governing conduct within a condominium project as contained in the Condominium Ownership Act, Utah Code Ann. 57-8-1 et seq. Exhibit "D" may be used to incorporate provisions in the Rules for which a violation may be assessed. For Rules which are not set forth in the attached Exhibit "D", the amount of each fine shall be the amount set forth in Exhibit "D".
- 11.11 **Continuous Violations.** Each 10-day period during which a violation of the Governing Documents of the Association, the Rules of the Association, or the rules listed on Exhibit "D", continues after the time period expires during which the unit owner is required to cure the violation, constitutes a separate violation and is subject to a fine in the amount

listed in Exhibit "D". The violation of a provision in the Rules or a provision listed on Exhibit "D", which is temporarily cured within the time period required in the written warning, but which is repeated or violated again within one year of the date the original written warning was served or fine was assessed, is deemed to be a continuous violation for which another written warning is not required to be served.

- 11.12 **Amount of Fines.** The amount of a fine for a violation of the Governing Documents or the Rules or the provisions listed on Exhibit "D", shall be in the amount listed on Exhibit "D", but in no case shall a single fine exceed \$500.00. A cumulative fine, which is a fine for a violation that is not timely cured or a fine that is repeatedly assessed due to repeated violations for which a written warning has previously been served, may not exceed \$500.00 per calendar month.
- 11.13 **Late Fees on Fines not paid.** Fines not paid within 10 days of their due date shall accrue interest at the rate of 1% per month until paid and a late fee of \$25.00 for each month the fine remains unpaid. An additional late fee shall be assessed for each and every 30-day period the fine remains unpaid after it is due. No interest or late fees may accrue until 10 days after a hearing (if requested by the unit owner) has been conducted and a final decision has been rendered by the Management Committee.
- 11.14 **Protesting the Fine.** A unit owner or tenant who is assessed a fine may request an informal hearing to protest or dispute the fine within 30 days from the date the fine is assessed (which is the date written on the notice of fine). The unit owner protesting the fine shall request the informal hearing by delivering a written request to any member of the Management Committee stating the grounds for the protest or dispute and setting forth in detail the following:
- a) the grounds for the protest, including any unusual circumstances justifying a reduction in the standard fine;
  - b) the facts relied upon by the protesting unit owner with respect to the violation or non-violation of the Rules.
  - c) the amount of the fine the unit owner claims should be paid and the reasons supporting that claim; and
  - d) any errors made by the Management Committee in calculating, assessing, or collecting the fine.
- 11.15 **Informal Hearing.** Within 21 days of receiving the written request for hearing, the Management Committee shall schedule an informal hearing at which time the requesting unit owner or tenant will be given an opportunity to present evidence and witnesses supporting the unit owners position. The Management Committee shall allow the unit owner, committee members, or any other person involved in the hearing to participate in the hearing by means of electronic communication. No formal rules of evidence will be required, and the Management Committee can receive the evidence submitted by the requesting unit owner and determine the probative value of such evidence. If it chooses and if it would be of benefit to the requesting unit owner, the Management Committee

may also produce evidence supporting its decision to fine the unit owner. However, the intent of the hearing is to listen to the violating unit owner's explanation for his or her behavior or activities and not to have a trial. The Management Committee may terminate the hearing at any time if any individual present becomes unruly, inconsiderate or rude.

**11.16 Decision of the Management Committee.** The Management Committee may, after the requesting unit owner has had the opportunity at the hearing to present the evidence desired, may either:

- a) leave the amount of the fine as originally stated;
- b) reduce the fine to an amount agreed upon by a majority of the Management Committee present at the hearing;
- c) reduce the fine to an amount agreed to by the offending unit owner with the agreement that the offending unit owner will pay the fine within 10 days and not appeal the fine in district court;
- d) suspend all or a portion of the fine conditioned on the unit owner not repeating the violation for one year; or
- e) forgive the fine.

The Management Committee shall render its written decision no later than ten (10) days after the date of the hearing.

**11.17 Appeals.** A unit owner may appeal a fine by initiating a civil action within 180 days after:

- a) a hearing has been held and a final decision has been rendered by the Management Committee, or
- b) the time to request an informal hearing has expired without the unit owner making such a request.

**11.18 Lien.** A fine assessed which remains unpaid after the time for appeal has expired becomes a lien against the unit owner's interest in the property in accordance with the same standards as a lien for the nonpayment of common expenses under U.C.A. § 57-8-44.

**11.19 Promulgation of Additional Rules and Fines.** The Management Committee is authorized to adopt and to amend the condominium administrative rules and regulations as may be necessary or desirable to insure the condominium is maintained and used in a manner consistent with the interests of the unit owners, to protect and enhance the quality of life in the condominium complex, to protect the property values of the condominium units, to ensure a quality and enjoyable lifestyle, and to respect the rights and privileges of all residents to be free from the annoyance, disturbance and nuisance of others. The

method by which the Management Committee may adopt new condominium rules shall be as follows:

- a) New rules shall be adopted at a regular or special meeting of the Management Committee and in conformity with existing law. The rule shall be in writing and voted on and approved by a majority of the members of the Management Committee. If the violation of the new rule shall have a fine associated with it, the amount of the fine shall be stated in the rule and included in Exhibit "D".
- b) Prior to the new rule becoming enforceable, the Management Committee shall cause to be delivered, personally or by regular U.S. mail, a copy of the new rule to each unit owner. If a unit owner is not living in his unit, the Management Committee shall cause to be delivered to the tenant of that unit, or posted to the door of the unit, a copy of the new rule. In addition, the Management Committee shall cause to be delivered a copy of the new rule, personally or by regular US mail to the address of record of the absentee owner. The new rule shall become enforceable five (5) days from the day it is mailed to each unit owner or posted on the door of an absentee unit owner.
- c) Rules adopted in this manner shall deal only with the health, safety or welfare of condominium residents or condominium property. Rules adopted by the Management Committee may also be used to clarify provisions in the declaration, bylaws, or rules and regulations, or to change the amount of a fine associated with the violation of a Rule.
- d) Rules adopted by the Management Committee shall have the same force and effect as rules contained in the Restated Declaration, the Bylaws, or other Rules adopted by the condominium association, including the power to collect fines from those who violate these rules.

11.20 **Severability.** If any phrase contained in this Article, or any paragraph, sentence, clause, phrase, or word, or the application thereof, in any circumstance be invalidated, such invalidity shall not affect the validity of the remainder of this Article, or the phrase or paragraph in which it is contained, and the application of any such provision, paragraph, sentence, clause, phrase or word in any other circumstances shall not be affected thereby.

## **ARTICLE XII AMENDING THE RESTATED DECLARATION**

12.1 **Amendment.** Except as provided below, the vote of at least two-thirds (2/3<sup>rd</sup>s) of the undivided ownership interests in the Common Areas and Facilities shall be required to amend this Restated Declaration, the Bylaws, or the Record of Survey Map. Any amendment so authorized shall be accomplished through the recordation of an instrument executed by the Committee. In such instrument, the Committee shall certify that the vote required for amendment by this paragraph has occurred.

- 12.2 **Consent Equivalent to Vote.** In those cases in which the Act or this Restated Declaration requires the vote of a stated percentage of the Project's undivided ownership interests for the authorization or approval of a transaction, such requirement may be fully satisfied by obtaining, with or without a meeting, consents in writing to such transaction for Unit Owners who collectively hold at least the necessary percentage of undivided ownership interests.
- 12.3 **Service of Process.** The registered agent of the Association as shown on the records of the State of Utah is the Person upon whom process may be served as provided for in the Act. Service of process for the purposes provided in the Act may also be made upon the president of the Association. The Management Committee may at any time designate a new or different Person or agency for such purposes by filing an amendment to this Restated Declaration limited to the sole purpose of making such change, and such amendment need only be signed and acknowledged by the then president of the Association.

### **ARTICLE XIII MORTGAGEE PROTECTION**

- 13.1 **Mortgagee Protection.** Notwithstanding anything to the contrary contained in this Restated Declaration:
- a) An adequate reserve fund for replacement of the Common Areas must be established and shall be funded by regular monthly payments rather than by special assessments.
  - b) There shall be established a working capital fund for the initial months of operation of the Project equal to a minimum amount of two months' estimated Common Area charge for each Unit.
  - c) Any mortgage holder which comes into possession of the Unit pursuant to the remedies provided in the Mortgage or foreclosure of the Mortgage or deed (or assignment in lieu of foreclosure) shall be exempt from any "right of first refusal" or other provisions relating to sale or lease of the Units in the Project.
  - d) Any management agreement for the Project shall be terminable by either party without cause or payment of termination fee upon thirty (30) days' written notice thereof and the term of any such agreement shall not exceed three (3) years.
  - e) In the event of substantial damage to or destruction of any Unit or any part of the Common Areas, the institutional holder of any first mortgage on a Unit shall be entitled to timely written notice to any such damage or destruction. No Unit Owner or other party shall be entitled to priority over such institutional holder with respect to the distribution to such Unit of any insurance proceeds.



- f) If any Unit or portion thereof or the Common Areas or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the institutional holder of any first mortgage of a Unit shall be entitled to timely written notice of any such proceeding or proposed acquisition and no Owner or other party shall have priority over such institutional holder with respect to the distribution to such Unit of the proceeds of any award or settlement.
- g) With the exception of a lender in possession of a Unit following a default in a first mortgage, a foreclosure proceeding or any deed or other arrangement in lieu of foreclosure, no Unit Owner shall be permitted to lease his unit for transient or hotel purposes. No Unit Owner may lease less than the entire Unit. Any lease agreement shall provide that the terms of the lease shall be subject in all respects to the provisions of the Restated Declaration and Bylaws and that any failure by the lessee to comply with the terms of such documents shall be a default under the lease. All leases shall be in writing.
- h) Each holder of a first mortgage lien on a Unit who comes into possession of a Unit by virtue of foreclosure of the mortgage, or by deed or assignment in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the Unit free of any unpaid claims or assessments and charges against the Unit which accrue prior to the time such holder comes into possession of the Unit, except for claims for a pro-rata share of such assessments or charges resulting from a pro-rata reallocation of such assessments or charges to all Units in the Project, including the mortgaged Unit.
- i) Any Mortgage holder is entitled, upon written request, to written notification from the Committee regarding any default by the Mortgagor of such Unit in the performance of any obligation under this Restated Declaration where the default is not cured within thirty (30) days.
- j) Any lien which the Committee may have on any Unit in the Project for the payment of any assessment attributable to such Unit will be subordinate to the lien or equivalent security interest of any first mortgage on the Unit recorded prior to the date any such assessment became due.

#### **ARTICLE XIV DISPUTE RESOLUTION**

**14.1 Introduction.** It is in the best interest of the Members, the Association, the Management Committee, the officers, and committee members (the "Parties") to encourage the amicable resolution of disputes arising out of the legal rights and obligations described in this Restated Declaration without the emotional and financial costs of litigation. Each Member and the Association agrees that before filing suit in any court it will first submit to the Alternative Dispute Resolution Procedures set forth below, (the "ADR Procedures"), with respect to any claim, grievance or dispute arising out of or relating to the Governing Documents, (the "Claims"); provided, that a Party may demand arbitration

prior to complying with the ADR Procedures if demanding arbitration is required to satisfy the statute of limitations for the Party's Claim. In such an event, the Party demanding arbitration shall simultaneously stay the arbitration until the ADR Procedures have been satisfied.

14.2 **Exceptions.** Notwithstanding the foregoing, the ADR Procedures shall not be required for the following Claims unless all Parties to the matter agree to submit the matter to the ADR Procedures:

- a) any suit between Members which does not include the Association as a party, if such suit asserts a claim which would constitute a cause of action independent of the Governing Documents;
- b) any suit in which any indispensable party is not bound by this Article XIV;
- c) any collection activity, action or suit brought by the Association against an Owner involving the collection of delinquent Assessments, special Assessments, Fines or Common Area fees;
- d) actions by the Association to collect Assessments or other amounts due from any Owner; and
- e) actions brought by the Association to obtain a temporary restraining order, preliminary injunctive relief, or other preliminary equitable relief and such ancillary relief as the Association may deem necessary in order to enforce the provisions of this Restated Declaration (an "Enforcement Action"). **Procedure for Disputes Between Members.**
- f) **Good-Faith Discussion.** The aggrieved Party ("Complainant") shall attempt to resolve the Claim with the other Party ("Respondent") through good-faith discussion.
- g) **Submission of Complaint.** If the Claim is not resolved through good-faith discussion, Complainant shall provide the Management Committee and each Respondent with a written statement of the material facts of the Claim (the "Complaint"). The Complaint shall include the following:
  - i) the nature of the Claim, including the parties involved and the Respondent's role in the Claim;
  - ii) a brief description of the discussions of the parties and their attempts to resolve the Claim informally;
  - iii) copies of relevant documents supportive of Complainant's position; and
  - iv) Complainant's proposed resolution or remedy.
  - v) The Complaint must include all Claims that exist between the Parties at that

time. Any Claim not included in the Complaint is expressly waived by the Complainant.

- h) Respondent shall have fifteen (15) days from receipt of the Complaint to file a response (the "Response") with the Complainant and the Management Committee. The Response must include any Claim that the Respondent has concerning the Complainant at the time that the Response is submitted to the Management Committee. Any Claim that is not included in the Response is expressly waived by the Respondent. The Response shall include any documents, descriptions, explanations or other material supporting the Response.

**14.3 Review by Management Committee.** The Management Committee shall undertake a reasonable review of the Complaint and the Response and shall issue a written decision, including an explanation of the reasons for the decision, within thirty (30) days of receipt of the Response. A copy of the decision shall be sent to the Parties promptly via first class mail. The Management Committee's decision shall be the final and binding resolution of the Claims submitted in the Complaint and the Response unless within thirty (30) days from the date that the decision is mailed either Party delivers to the Management Committee and all other Parties a Notice of Objection to the Management Committee's Decision and Intent to Submit to Mediation.

**14.4 Mediation.**

- a) Within thirty (30) days of receipt of the Notice of Objection to the Management Committee's Decision and Intent to Submit to Mediation, the Management Committee shall contact the Parties with proposed mediation dates and a list of potential mediators. A neutral third-party or professional mediator that has been agreed to by the Parties shall conduct the mediation.
- b) The mediation shall be held in the State of Utah at a location agreed upon by the Parties. Unless otherwise agreed by the Parties, the mediation shall take place no later than three (3) months from the date of the Management Committee's decision. If the Parties do not agree to extend this period and mediation does not occur within this time period, then this requirement is deemed to be satisfied.
- c) Unless otherwise agreed by the Parties, all fees and costs of the mediation shall be borne by the Party submitting the Notice of Objection to the Management Committee's Decision and Intent to Submit to Mediation.

**14.5 Arbitration.**

- a) All Claims between the Parties not otherwise resolved shall be submitted to binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association. Unless otherwise agreed upon by the Parties in writing, demand for arbitration must be made within thirty (30) days of the mediation or the expiration of the period for holding the mediation as set forth above. Failure to demand arbitration within 30 days is an express waiver of the Notice of Objection to the Management Committee's Decision and Intent to

Submit to Mediation, and upon such waiver the Management Committee's decision becomes the final and binding resolution of the Claims.

- b) In no event shall a Party be entitled to demand arbitration of a Claim after the time for taking legal action on the Claim has expired.
- c) The arbitration shall be held in the State of Utah at a location agreed upon by the Parties or determined by the arbitrator.
- d) The prevailing Party in the arbitration shall be awarded its reasonable attorney fees and costs associated with the dispute. Punitive damages, however, shall not be awarded in any dispute. Judgment upon the award rendered by the arbitrator may be entered in any court within the State of Utah.

14.6 **Procedure Subject to Change by Management Committee.** The procedures outlined in this Section 14 may be amended from time to time by the Management Committee without the consent of the Owners, as the Management Committee deems necessary, in light of experience, to better accomplish the amicable resolution of disputes arising out of the legal rights and obligations described in the Governing Documents; provided, such modifications shall not take effect until three months after a copy of the new procedures is delivered to the Owners.

14.7 Procedure for Disputes Between the Association and Members. Subject to the provisions of Section 14.2, any Member who has a dispute with the Association, the Management Committee, the Architectural Committee, or any officer or Member representing one of these groups, and who is not satisfied with the decision of the Association, the Management Committee, or the Architectural Committee, shall follow the procedures outlined in Section 14.3 above.

## ARTICLE XV ALTERATIONS AND INTERIOR IMPROVEMENTS

15.1 **Approval Required.** No Owner, tenant, person or resident (collectively referred to herein as "Applicant") shall, without the prior written consent of the Management Committee, make or permit to be made any change, modification, alteration, improvement or addition (collectively referred to herein as "Improvement(s)") in or to any Unit, Common Area or Limited Common Area within Governors Square. No Applicant shall, without the prior written consent of the Management Committee, do any act that would impair the structural soundness or integrity of the Common Areas or the safety of property, impair any easement or hereditament appurtenant to the Project, or make or permit to be made any Improvement or addition to the Common Areas and Facilities. Without limiting the foregoing, prior written approval from the Management Committee is required prior to the inception of any of the following Improvements:

- a) Structural changes to the interior of a Unit;

- b) Any Improvement involving or impacting electrical, plumbing or any other utility lines;
- c) Replacement of windows and balcony doors;
- d) Repairs or remodels requiring any type of utility shut-off;

No Improvement to the exterior of the building or the interior common area is permitted.

15.2 **Review Procedures.** The following procedures shall govern requests for Improvements. Additional procedures, applications or submission requirements may be required by the Management Committee.

- a) Detailed plans, specifications, and related information regarding any proposed Improvement, in a form and content acceptable to the Management Committee, along with the application attached hereto as Exhibit "F", shall be submitted by the Applicant to the Management Committee at least thirty (30) days prior to the projected commencement of construction. No Improvements shall be commenced prior to approval by the Management Committee. The application and plans shall include the following information: building materials to be used, completion start date and end date, storage location of building material, disposal plans for refuse and construction material (dumpster size, location, duration), and any additional information determined by the Management Committee.
- b) The Management Committee shall give the Applicant written notice of approval, conditional approval or disapproval. If the Management Committee fails to approve, conditionally approve, table or disapprove within thirty (30) days after receipt of application and plans, and all other information requested by the Management Committee, then approval shall be deemed to be granted; provided that the Improvements are done in accordance with the plans, specifications and related information which were submitted.
- c) If an Owner does not request approval as required herein, the approval shall be deemed to be denied and any Improvement made by the Owner shall be a violation of these requirements.

15.3 **Review Expenses.** The Applicant desiring to make an Improvement shall pay all costs and expenses incurred by the Management Committee in connection with a review of the Applicant's plans, including but not limited to professional fees incurred by the Management Committee in connection with a review of the plans by an engineer, architect or other qualified professional. The Management Committee shall collect from the Applicant, at the time the Applicant submits the application and plans to the Management Committee, a sum sufficient to pay all anticipated expenses associated with a professional review of the plans. The review process shall not begin until all sums required by the Management Committee has been received.

- 15.4 **Deposit Required.** A damage and compliance deposit in an amount determined by the Management Committee shall be submitted by the Applicant with the written plans and application. The amount of the deposit shall be sufficient to cover any projected damage and repair to the Common Area associated with the Improvement. Checks should be made payable to the Governors Square Condominium Home Owners Association. Deposits shall be refundable thirty (30) days after final inspection and determination by the Management Committee that no damages have been inflicted upon the Common Areas or adjoining Units. Should the initial deposit not be sufficient to cover damages (repair, replacement or to clean), then the Management Committee may stop the Improvement until additional funds are deposited.
- 15.5 **Owners Responsibility/Indemnity.** The Owner who causes an Improvement to be made, regardless of whether the improvement is approved by the Management Committee, shall be responsible for the construction work and any claims, damages, losses, or liabilities arising out of the Improvements. The Owner, and not the Management Committee, is responsible for determining whether any Improvement is in violation of any restriction imposed by any governmental authority having jurisdiction over any portion of the Property. The Owner shall hold harmless, indemnify, and defend the Association, the Management Committee, and its officers, directors and committee members, from and against any expenses, claims, damages, losses or other liabilities, including without limitation attorney fees and costs of litigation arising out of (1) any Improvement which violates any governmental law, codes, ordinances, or regulations, (2) the adequacy of the specifications or standards for construction of the Improvements and (3) the construction of the Improvements.
- 15.6 **Construction Hours:** Construction hours for all contractors is restricted to the following time periods:  
Monday - Friday: 8:00 am to 7:00 p.m.  
Saturday: 9:00 a.m. to 4:00 p.m.  
Sunday: No work.

Adjoining Owners (above, below and next to the Unit where work will be done) shall be notified of the proposed Improvement. Proper measures shall be taken by the Applicant to reduce or eliminate unreasonable noises, sounds or smells created in connection with construction.

## ARTICLE XVI MISCELLANEOUS

- 16.1 **Duty of Owner to Pay Taxes on Unit Owned.** It is understood that under the Act each Unit (and its percentage of interest in the Common Areas) in the Project is subject to separate assessment and taxation by each taxing authority and any special districts for all types of taxes and assessments authorized by law, and that as a result thereof no taxes will be assessed or levied against the Project as such. Accordingly, each Unit Owner will pay and discharge any and all taxes and assessments which may be assessed against him or his Unit.

- 16.2 **Covenants to Run With Land; Compliance; Enforcement.** This Restated Declaration and all the provisions hereof shall constitute covenants to run with the land, or equitable servitudes, as the case may be, and shall be binding upon and shall inure to the benefit of all parties who hereafter acquire any interest in a Unit or in the Project, and their respective grantees, transferees, heirs, devisees, personal representatives, successors, and assigns. Each Owner, tenant, or occupant of a Unit shall comply with, and all interests in all Units shall be subject to, the terms of the Act, the provisions of this Restated Declaration, the Articles of Incorporation of Governor's Square Homeowners Association, the Bylaws, and of any rules, regulations, agreements, instruments, determinations and decisions contemplated by this Restated Declaration, as the same may lawfully be amended from time to time. By acquiring any interest in a Unit or in the Project, the party acquiring such interest consents to, and agrees to be bound by, each and every provision of this Restated Declaration, the above-referenced Articles of Incorporation, the Bylaws, the Act, and the provisions of any rules, regulations, instruments, determinations and decisions contemplated by this Restated Declaration. Failure to comply with any of the same shall be grounds for an action to recover sums due and for damages or injunctive relief or both, maintainable by the Association or, in a proper case, by an aggrieved Owner.
- 16.3 **Owner's Obligations.** All obligations of an Owner under and by virtue of the provisions contained in this Restated Declaration shall continue, notwithstanding that he may have leased or rented said interest as provided herein; but the Owner of a Unit shall have no obligation for expenses or other obligations accruing after he conveys such Unit.
- 16.4 **Record Retention Policy.** The attached Exhibit "E" shall serve as the record retention schedule for the Association. It shall serve as a guideline and is not an exclusive list. Some of the records below may not currently exist, but are listed in the event they exist in the future. The Management Committee shall use its best judgment in determining the retention period for any record not mentioned below. The records described below shall be kept for as long as indicated. Once their retention period has expired, the Management Committee may destroy the documents.
- 16.5 **Registration of Mailing Address.** Each Owner who wishes to receive any notices required to be sent by the Association at an address other than the address of his Unit shall register such address with the Association. All notices or demands intended to be served upon any Owner may be sent by first class U.S. Mail, postage prepaid, addressed to the name of the Owner at such registered mailing address, or, if no address has been registered, to the Unit of such Owner. Any notice or demand referred to in this Restated Declaration shall be deemed given when deposited in the U.S. Mail in the form provided for in this Paragraph.
- 16.6 **Inspection of Books.** Any Owner may at any reasonable time, upon appointment, and at his own expense, cause an audit or inspection to be made of the books and records maintained by the Association.

- 16.7 **Indemnification of Committee Members.** Each member of the Committee shall be indemnified and held harmless by the Owners against all cost, expenses, and liabilities whatsoever which result from his good-faith activities as a member of the Committee, including, without limitation, attorney's fees reasonably incurred by him in connection with any proceeding to which he may become involved by reason of his being or having been a member of said Committee.
- 16.8 **Enforcement, Attorney Fees and Cost.** This Restated Declaration and any Association rules may be enforced by any available remedy at law or equity and, in addition to any remedy set forth herein, in the event enforcement action is instigated, the Association or Board, as the case may be, shall recover its costs and reasonable attorney fees incurred from the party in violation, whether or not suit is filed or judgment is rendered thereon.
- 16.9 **Number and Gender.** Whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.
- 16.10 **Severability.** If any of the provisions of this Restated Declaration or any paragraph, sentence, clause, phrase or word or the application thereof in any circumstance be invalidated, such invalidity shall not affect the validity of the remainder of this Restated Declaration, and the application of any such provision, paragraph, sentence, clause, phrase or word in any other circumstances shall not be affected thereby.
- 16.11 **Topical Headings.** The headings appearing at the beginning of the sections, paragraphs and subparagraphs of this Restated Declaration are solely for convenience of reference and are not intended to describe, interpret, define or otherwise affect the content, meaning or intent of this Restated Declaration or any section, paragraph or provision hereof.
- 16.12 **Effective Date.** This Restated Declaration shall take effect upon recording.
- 16.13 **Interpretation.** This Restated Declaration shall be liberally construed to effect its purpose of creating a uniform plan for the development and operation of a Condominium Project. Failure to enforce any provision, restriction, covenant, or condition in this Restated Declaration or in any supplemental or amended Declaration shall not operate as a waiver of any such provision, restriction, covenant or condition or of any other provisions, restrictions, covenants, or conditions. To the extent the provisions of the Act and all other applicable provisions of law are consistent with this Restated Declaration, such provisions shall supplement its terms and are incorporated herein.

[Signatures on Next Page]

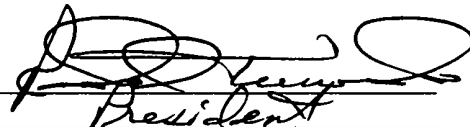


**CERTIFICATION**

It is hereby certified by an officer of the Governors Square Condominium Home Owners Association that this Restated Declaration was adopted at a meeting of the Owners wherein at least two-thirds (2/3rds) of the undivided ownership interest in the Common Areas and Facilities voted in favor of such amendment, or without any meeting wherein all Owners were duly notified and two-thirds (2/3rds) of the undivided ownership interest in the Common Areas and Facilities voted for such amendment, as required by Paragraph 25 of Section III of the Enabling Declaration.

IN WITNESS WHEREOF, this 15 day of Sept., 2017.

**Governors Square Condominium Home Owners Association**

By   
Its: President

STATE OF CALIFORNIA            )  
  : ss.  
COUNTY OF EI DORADO    )

On this 15<sup>th</sup> day of September, 2017, personally appeared before me Randal J. Terwedo who, being by me duly sworn did say that he is the President of the Governors Square Condominium Home Owners Association Board of Directors and that the within and foregoing instrument was signed in behalf of said Association and he duly acknowledged to me he executed the same.

Kristen M. Martin  
Notary Public

*see attached for stamp*

**CALIFORNIA JURAT WITH AFFIANT STATEMENT**

**GOVERNMENT CODE § 8202**

- See Attached Document (Notary to cross out lines 1–6 below)
- See Statement Below (Lines 1–6 to be completed only by document signer[s], *not* Notary)

1 \_\_\_\_\_

2 \_\_\_\_\_

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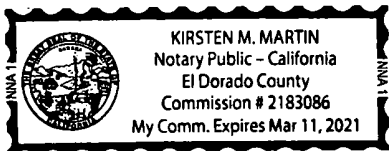
\_\_\_\_\_  
Signature of Document Signer No. 1

\_\_\_\_\_  
Signature of Document Signer No. 2 (if any)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California  
County of El Dorado

Subscribed and sworn to (or affirmed) before me  
on this 15<sup>th</sup> day of September, 2017,  
by Date Month Year  
(1) Randal J Terwedo  
(and (2) \_\_\_\_\_),  
Name(s) of Signer(s)



proved to me on the basis of satisfactory evidence  
to be the person(s) who appeared before me.

Signature Kirsten M. Martin  
Signature of Notary Public

Seal  
Place Notary Seal Above

**OPTIONAL**

*Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.*

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_ Document Date: \_\_\_\_\_  
Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**EXHIBIT "A"**

**LEGAL DESCRIPTION**

Units 101 through 112; Units 201 through 212; Units 301 through 312, Governors Square Condominium, according to the official plat thereof, Salt Lake City, Salt Lake County, Utah.

Parcel Nos.:

08-36-290002  
08-36-290003  
08-36-290004  
08-36-290005  
08-36-290006  
08-36-290007  
08-36-290008  
08-36-290009  
08-36-290010  
08-36-290011  
08-36-290012  
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08-36-290031  
08-36-290032  
08-36-290033  
08-36-290034  
08-36-290035  
08-36-290036  
08-36-290037

**EXHIBIT "B"**

**Par Value Common Area  
Unit No. Square Footage\* Points Ownership Interest**

101	628	200	2.50627%
102	683	210	2.63158%
103	628	200	2.50627%
104	683	210	2.63158%
105	628	200	2.50626%
106	683	210	2.63158%
107	628	200	2.50626%
108	683	210	2.63158%
109	628	200	2.50627%
110	683	210	2.63158%
111	628	200	2.50627%
112	683	210	2.63158%
201	628	220	2.75689%
202	683	225	2.81955%
203	628	220	2.75689%
204	683	225	2.81955%
205	628	220	2.75689%
206	683	225	2.81955%
207	628	220	2.75689%
208	683	225	2.81955%
209	628	220	2.75689%
210	683	225	2.81955%
211	628	220	2.75689%
212	683	225	2.81955%
301	628	235	2.94486%
302	683	240	3.00752%
303	628	235	2.94486%
304	683	240	3.00752%
305	628	235	2.94486%
306	683	240	3.00752%
307	628	235	2.94486%
308	683	240	3.00752%
309	628	235	2.94486%
310	683	240	3.00752%
311	628	235	2.94486%
312	683	240	3.00752%
		7980	100%

\*The footage of each unit does not include the loft area of any unit.

# **EXHIBIT “C”**

## **BYLAWS**

# BYLAWS

OF

## GOVERNOR'S SQUARE HOMEOWNERS ASSOCIATION

### ARTICLE I IDENTITY

- 1.1 The name of the corporation is "Governor's Square Homeowners Association," hereinafter the "Association."
- 1.2 The principal office of the Association shall be in the Governor's Square Condominium Project, herein after the "Project," located at 424 East Center Street, Salt Lake City, Salt Lake County, Utah.

### ARTICLE II DEFINITIONS

- 2.1 Except as otherwise specifically provided herein, all terms in these Bylaws shall have meanings as defined in that certain instrument entitled, "Restated and Amended Declaration of Condominium of Governor's Square Condominiums" applicable to the Project and recorded in the Office of the County Recorder of Salt Lake County, State of Utah, hereinafter the "Restated Declaration." As used herein, "Member" shall mean and refer to those persons entitled to membership in the Association in accordance with the Restated Declaration and the Articles of Incorporation of the Association. Where the context so requires, the terms "Member" and "Unit Owner" are used interchangeably herein. The terms "Member" and "Unit Owner" shall not refer to any mortgagee or lien holder, unless such person has acquired title for other than security purposes.

### ARTICLE III APPLICATION

- 3.1 All Unit Owners, tenants, occupants, guests, or others who might use the facilities of this Condominium Project in any manner are subject to the provisions set forth in these Bylaws. The mere acquisition, rental or use of any of the Units or use of Common Areas will signify that these Bylaws are accepted, ratified, and will be observed by such persons.

### ARTICLE IV MEETINGS OF MEMBERS

- 4.1 **Place of Meetings.** Meetings of Members shall be held at such place within the State of Utah as the Management Committee may specify in the notice, except as herein otherwise specified.

- 4.2 **Annual Meeting of Members.** The annual meeting of the Members shall be held annually on the 15th day of January, or at such time and place as the Management Committee shall specify, however, whenever such date falls on a Sunday or a legal holiday, the meeting shall be held on the next succeeding business day, and provided further, that the Management Committee may by resolution fix the date of the annual meeting on such other date and at such place as it may deem appropriate or desirable.
- 4.3 **Special Meetings of Members.** Special meetings may be called at any time by written notice served by the Management Committee, or by Members having forty percent (40%) of the total votes of the membership.
- 4.4 **Notices.** Written notice of each annual or special meeting, as well as any other notice required or permitted to be delivered as provided in these Bylaws, shall be given by or at the direction of the Management Committee, or, in the case of a special meeting, by Members having forty percent (40%) of the total votes of the membership, by either delivering the same personally or by mail. If delivery is by mail, it shall be deemed to have been delivered 24 hours after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to each Member at the address given by such person to the Management Committee for the purpose of service of such notice or to the Unit of such person if no address has been given. Such address may be changed by Members from time to time by notice in writing to the Management Committee. Such notice shall specify the place, day, and hour of the meeting and, in the case of special meetings, the purpose of the meeting, and shall be delivered at least fifteen (15) days before each annual meeting and at least seven (7) days before each special meeting to each Member entitled to vote thereat.
- 4.5 **Quorum.** At any meeting of the Members, the presence in person or by proxy of Members holding more than twenty percent (20%) in the aggregate in interest of the undivided ownership of Common Areas shall constitute a quorum for any and all purposes, except where by express provision a greater vote is required, in which event a quorum shall be the number required for such vote. In the absence of a quorum, those Members present, though less than a quorum, may adjourn the meeting from time to time, without notice other than by announcement at the meeting, until holders of the amount of interest requisite to constitute a quorum shall be in attendance. At any such reconvened meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified.
- 4.6 **Proxies.** At all meetings of the Members, each Member may vote in person or by proxy. Each proxy shall be revocable and shall cease automatically upon the conveyance of the affected Member's Unit. All proxies shall be in writing and, in the case of proxies for the annual meeting, shall be delivered to the Secretary of the Association at least five (5) days prior to said annual meeting. Proxies for special meetings shall be delivered to the Secretary at least three (3) days prior to the holding of such special meetings. The Secretary shall enter a record of such proxies in the minutes of the meeting.

- 4.7 **Voting.** When a quorum, as provided herein above or in the Condominium Ownership Act, is present at any meeting, the vote of Members representing more than fifty percent (50%) of the undivided ownership of Common Areas, present in person or represented by proxy, shall decide any question brought before such meeting, including the election of the Management Committee, unless the question is one upon which, by express provision of the statutes of the State of Utah, the Restated Declaration, the Articles of Incorporation or of these Bylaws, a different vote is required, in which case such express provision shall govern and control the decision of such question. Electronic voting shall be permitted in accordance with the provisions of Exhibit C-1, attached hereto.
- 4.8 **Record Members.** At annual meetings of the Members, only such persons shall be entitled to vote in person or by proxy as appear as Owners or contract purchasers in the records of the County Recorder for Salt Lake County, State of Utah, on the thirtieth (30th) day before such annual meeting. The Management Committee may, by resolution, fix a date in advance of a special meeting of the Members upon which date a Member must appear as an owner or contract purchaser in the records of the County Recorder for Salt Lake County, State of Utah, in order to be entitled to vote at such special meeting; provided, however, that said date shall in no event be fixed at fewer than five (5) nor more than thirty (30) days prior to the date for such special meeting.
- 4.9 **Waivers of Notice.** Any Member may at any time waive any notice required by these Bylaws, or by statute, or otherwise. The presence of a Member in person or by proxy at any meeting of the members shall be deemed to be such a waiver.

## ARTICLE V MANAGEMENT COMMITTEE

- 5.1 **Purpose and Powers.** The business, property and affairs of the Association shall be managed and governed by the Management Committee pursuant to Article V of the Restated Declaration provided, however, that the Management Committee may enter into such management agreement or agreements with third persons as it may deem advisable.
- 5.2 **Regular Meetings.** A regular annual meeting of the Management Committee shall be held immediately after the adjournment of each annual meeting of the Members. Regular meetings, other than the annual meeting, shall or may be held at regular intervals at such places and at such times as the President of the Management Committee may from time to time designate.
- 5.3 **Special Meetings.** Special meetings of the Management Committee shall be held whenever called by the President, the Vice President, or by any two or more members thereof, on three business days' notice to each member given by mail, in person, or over the telephone, which notice shall state the time, place, and purpose of the meeting. By unanimous consent of the Management Committee, special meetings may be held without call or notice at any time or place.



- 5.4 **Quorum.** A majority of the members of the Management Committee then in office shall constitute a quorum.
- 5.5 **Voting.** When a quorum, as provided herein or in the Condominium Ownership Act is present at any meeting of the Management Committee, the vote of a majority of the Committee members present shall decide any question of business brought before such meeting unless a different vote is required by an express provision of the Act, the Restated Declaration, or the Bylaws, in which case such express provision shall govern and control the decision of such question. Electronic voting shall be permitted in accordance with the provisions of Exhibit C-1, attached hereto.
- 5.6 **Action without Meeting.** The members of the Management Committee shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all Committee members. Any action so approved shall have the same effect as though taken at a duly called meeting of the Management Committee.
- 5.7 **Compensation.** Members of the Management Committee, as such, shall not receive any stated salary or compensation: provided that nothing herein contained shall be construed to preclude any member thereof from serving the Association in any other capacity and receiving compensation therefore.
- 5.8 **Waiver of Notice.** Before or at any meeting of the Management Committee, any member thereof may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Committee member at any Management Committee meeting shall constitute a waiver by him of notice of the time and place of the meeting.
- 5.9 **Adjournment.** The Management Committee may adjourn any meeting from day to day or for such other time as may be prudent or necessary, provided, however, that no such meeting may be adjourned for longer than thirty (30) days.

## **ARTICLE VI OFFICERS**

- 6.1 **Designation and Election.** The principal officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected by and from the Management Committee. Except as otherwise mentioned in Section 5.2 of the Restated Declaration, such election shall regularly take place at the first meeting of the Management Committee immediately following the annual meeting of the Unit Owners; provided, however, that elections of officers may be held at any other meeting of the Management Committee.
- 6.2 **Other Officers.** The Management Committee may elect such other officers, in addition to the officers hereinabove expressly named, as it shall deem necessary, who shall have

authority to perform such duties as may be prescribed from time to time by the Management Committee.

- 6.3 **Term.** The officers of this Association shall be elected annually by the Management Committee and each shall hold office for one year, unless he shall sooner resign, or shall be removed, or shall otherwise be disqualified to serve.
- 6.4 **Removal of Officers and Agents.** All officers and agents shall be subject to removal, with or without cause, at any time by the affirmative vote of a majority of the then members of the Management Committee.
- 6.5 **Vacancies.** A vacancy in any office may be filled by appointment by the Management Committee. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.
- 6.6 **Duties.** The duties of the officers are as follows:
  - a. **President.** The President shall be the chief executive of the Association, and shall exercise general supervision over its property and affairs. He shall sign on behalf of the Association all instruments and contracts of material importance to its business and shall do and perform all acts and things which the Management Committee may require of him. He shall preside at all meetings of the Members and of the Management Committee. He shall have all of the general powers or duties which are normally vested in the office of the president of a corporation.
  - b. **Vice President.** The Vice President shall act in the place and stead of the President and perform his duties in the event of his absence or his inability or refusal to act. If neither the President nor the Vice President is able to act the Management Committee shall appoint some other member thereof to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be prescribed by the Management Committee.
  - c. **Secretary.** The Secretary shall keep the minutes of all meetings of the Management Committee and of the Members; he shall have charge of such books and papers as the Management Committee may direct; and he shall in general perform all the duties ordinarily incident to the office of Secretary, and such other duties as the Management Committee may require of him.
  - d. **Treasurer.** The Treasurer shall have the responsibility for the funds of the Association he shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association; he shall be responsible for the deposit of all monies and all other valuable effects in the name, and to the credit of, the Association in such depositories as may, from time to time, be designated by Management Committee; he shall report the state of the finances of the Association at each annual meeting of the Members; and he shall perform such other duties as the Management Committee may require of him.

e. **Other Officers.** All other officers of the Association shall have such authority and perform such duties as the Management Committee may from time to time determine.

6.7 **Compensation.** No compensation shall be paid to any officer for his services and no remuneration shall be paid to an officer for services performed by him for the Management Committee in any other capacity unless a resolution authorizing such remuneration shall have been unanimously adopted by the Management Committee before the services are undertaken. However, an officer may be reimbursed for his actual expenses incurred in the performance of his duties as an officer.

## **ARTICLE VII COMMITTEES**

7.1 The Management Committee may, by resolution, appoint such committees as may be deemed appropriate in carrying out its duties, responsibilities, and powers.

## **ARTICLE VIII ASSESSMENTS**

8.1 As more fully provided in the Restated Declaration, each Unit Owner is obligated to pay to the Association various assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such assessment and shall be secured by said lien. No Owner may waive or otherwise escape liability for the assessments provided for herein and in the Restated Declaration by non-use of the Common Areas or abandonment of his Unit.

## **ARTICLE IX ACCOUNTING**

9.1 **Report.** At the close of each accounting year, the books and records of the Management Committee shall be reviewed by a person or firm approved by the Members. A report of such review shall be prepared and submitted to the Members at or before their annual meeting; provided, however, that a certified audit by a certified public accountant approved by the Members shall be made if it is requested in writing by Members holding at least seventy-five percent (75%) of the total undivided interest in the Common Areas.

9.2 **Inspection of Books.** Financial records, such as are required to be furnished, shall be available at the principal office of the Management Committee or the Manager for examination by the Unit Owners at convenient hours of weekdays.

**ARTICLE X**  
**AMENDMENT OF BYLAWS**

- 10.1 These Bylaws may be altered, amended, or repealed at any duly constituted meeting of the Members called for that purpose by the affirmative vote of at least two-thirds of the ownership in the Common Areas present at such meeting in person or by proxy.

# **EXHIBIT C-1**

## **ELECTRONIC VOTING**

The Association may elect to conduct elections and other board or membership votes through an internet-based online voting system according to the terms set forth below:

1. Each member may vote electronically unless the member provides written notice to the Association at least 15 days prior to the vote that they opt out of electronic voting, in which case a paper ballot will be sent to the member. Members may also vote by proxy.
2. The Association must provide each member who participates in electronic voting with a method to:
  - Authenticate the member's identity to the online voting system.
  - Transmit an electronic ballot for board elections to the electronic voting system that ensures the secrecy and integrity of each ballot, if secret ballots are required.
  - Verify the authenticity of receipts sent from the electronic voting system.
  - Confirm, at least 10 days before the voting deadline that the member's electronic device can successfully communicate with the online voting system.

In addition, the Association's online voting system must be able to:

- Authenticate the member's identity.
- Authenticate the validity of each electronic vote to ensure that the vote is not altered in transit.
- Transmit a receipt from the online voting system to each member who casts an electronic vote.
- If secret balloting is required, permanently separate any authentication or identifying information from an electronic ballot for board elections, rendering it impossible to tie a ballot to a specific member.
- Store and keep electronic ballots accessible to election officials for recount, inspection, and review purposes.

A member voting electronically is counted as being in attendance at the meeting for purposes of determining a quorum. A quorum established based on members voting electronically is only limited to the issue specifically identified in the electronic vote.

# **EXHIBIT “D”**

## **FINE SCHEDULE**

AMOUNT OF FINE\*

1ST Offense	2ND Offense within one year	3RD or more Offense within one year	RULE (the following activities are prohibited)
\$50	\$75	\$100	<ul style="list-style-type: none"> <li>· parking in restricted areas such as fire lanes</li> <li>· parking in areas other than marked parking stalls</li> <li>· parking in another's reserved parking stall</li> <li>· parking in front of garbage dumpster</li> <li>· parking in areas marked with "no parking" signs</li> <li>· parking in areas not permitted on the condominium parking map</li> <li>· violation of any parking rule contained in the declaration, bylaws, or condominium rules</li> <li>· parking recreational vehicle, trailer or boat on condominium property</li> <li>· parking more than two (2) cars per unit on condominium property without authorization</li> <li>· parking unregistered or inoperable vehicles in the common area for more than 10 days</li> <li>· parking in a way that blocks access to another unit's garage or driveway</li> <li>· parking on or across sidewalks</li> <li>· driving faster than the permitted speed (10 mph)</li> <li>· performing service, maintenance or mechanical work on any vehicle in the common area (including motorcycles &amp; ATV's)</li> <li>· leaving trash, garbage, or clutter on the unit's patio, deck or doorstep, or otherwise maintaining the patio, deck or doorstep in an unsightly, unclean, or unsanitary condition</li> <li>· obstructing the common area in such a manner as to restrict ingress or egress from the units</li> <li>· misuse or damage to the common area by attaching satellite dishes, awnings, signs, lights, or any other item to the common area in violation of the Association's satellite policy or without the written permission of the Management Committee</li> <li>· painting or decorating any common area without written permission of the Management Committee</li> <li>· causing damage to any common area (roads, lawn, parking area, sidewalk, sprinkler system, flowers or shrubs)</li> <li>· leaving personal belonging in the common area for more than 24 hours (bicycles, scooters, toys, equipment)</li> <li>· creating noise within a unit or deck that can be heard in another unit or in the common area such that the noise is (1) offensive to the senses, (2) disruptive to the comfortable enjoyment and lifestyle of other residents, or (3) an obstruction to the free use of property so as to interfere with the comfortable enjoyment of life</li> </ul>

\$50	\$75	\$100	<ul style="list-style-type: none"> <li>· creating noise in the common area or limited common area that can be heard in a unit such that the noise is (1) offensive to the senses, (2) disruptive to the comfortable enjoyment and lifestyle of other residents, or (3) an obstruction to the free use of property so as to interfere with the comfortable enjoyment of life</li> <li>· maintaining pets in a unit in violation of the condominium bylaws, declaration or rules and regulations</li> <li>· failing to clean up after pets that have made a mess in the common area</li> <li>· allowing pets in the common area when not on a leash</li> <li>· bringing a pet in unit that can be heard in another unit such that the sound or smell created by the pet is (1) offensive to the senses, (2) disruptive to the comfortable enjoyment and lifestyle of other residents, or (3) an obstruction to the free use of property so as to interfere with the comfortable enjoyment of life</li> <li>· performing any construction outside of a unit without written authorization from the Management Committee</li> <li>· using abusive or foul language</li> <li>· operating a business in a unit without a business license or in violation of the municipal ordinances, the condominium bylaws, declaration, or rules and regulations</li> <li>· failing to maintain window coverings (failure to replace broken blinds, torn drapes or other such window coverings). There shall be no blankets, newspapers or bed sheets used for window coverings.</li> <li>· the violation of any provision of the Association's governing documents, which documents include the Restated and Amended Declaration of Condominium for Governor's Square Condominiums ("Restated Declaration"), any amendments to the Restated Declaration, the Association Bylaws, and any rules adopted by the Management Committee or the Association</li> <li>· Using barbecue or cooking/grilling devices on decks or in Common Areas</li> <li>· Placing exterior ornamental lights on decks or Common Areas</li> <li>· Placing lock boxes outside (unless prior approval, in writing, by the Committee)</li> <li>· Placing furniture, carpets, construction debris, or similar oversized articles in the dumpsters.</li> </ul>
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\*The cumulative fine for a continuing violation may not exceed \$500.00 per month.



# **EXHIBIT “E”**

## **RECORD RETENTION SCHEDULE**

**GOVERNOR'S SQUARE CONDOMINIUM HOME OWNERS ASSOCIATION  
RECORD RETENTION POLICY**

This record retention schedule shall serve as a guideline and is not an exclusive list. Some of the records below may not currently exist, but are listed in the event they exist in the future. The Management Committee shall use its best judgment in determining the retention period for any record not mentioned below. The records described below shall be kept for as long as indicated. Once their retention period has expired, the Management Committee may destroy the documents.

Description of Record	Retention Period
Articles of Incorporation	Permanent
Declaration of Covenants, Conditions, and Restrictions (including amendments)	Permanent
Corporate or Association Bylaws	Permanent
Association Plat Maps	Permanent
Resolutions adopted by the Management Committee relating to the characteristics, qualifications, rights, limitations, and obligations of members or any class or category of members (U.C.A §16-6a-1601 (5)(c))	Permanent
Minutes of all meetings of the Management Committee	Permanent
Minutes of all annual and special meetings of members	Permanent
Record of all actions taken by the members or Management Committee without a meeting	Permanent
A record of all actions taken by a committee of the Management Committee in place of the Management Committee on behalf of the Management Committee	Permanent
Record of all waivers of notices of meetings of members and of the Management Committee or any committee of the Management Committee	Permanent
Architectural Modifications- Approved and Disapproved	Permanent
Architectural Guidelines (current and past)	Permanent
Association or Community Rules	Current and Past 6 Years
Ownership/Membership Records	Current and Past 6 Years
All written communications to members generally as members	6 years
A list of the names and address of current directors and officers	Current and past 6 Years
A copy of the most recent annual report delivered to the division under Section (U.C.A §16-6a-1607)	Current and Past 4 Years
Financial records and statements, including invoices, tax returns, checks, etc.	3 years

# **EXHIBIT “F”**

**Application- Alterations and Improvements**

**GOVERNORS SQUARE CONDOMINIUM HOME OWNERS ASSOCIATION**

Application for Modification(s) or Improvement(s)

**Owner Information**

Owner(s) Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Telephone: \_\_\_\_\_ (c) \_\_\_\_\_  
Email: \_\_\_\_\_

**Contractor Information**

General Contractor & Contact Person: \_\_\_\_\_  
Contractor Office Phone: \_\_\_\_\_

Approval is hereby requested to make the following modification(s) or improvement(s) as described and depicted below, or on additional attached pages as necessary. Please include such detail as dimensions, materials, color, design, size, location and other pertinent data:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Projected Start Date: \_\_\_\_\_ Projected End Date: \_\_\_\_\_

- \$ \_\_\_\_\_ Initial Expense Deposit (determined by Management Committee)
- \$ \_\_\_\_\_ Initial Damage and Compliance Deposit (determined by Management Committee)
- \_\_\_\_\_ Plans, drawings, etc.
- \_\_\_\_\_ Copy of Contract(s) or Proposal from contractor. Include copy of license and insurance [liability (\$1 million dollars) and workman's comp.]
- \_\_\_\_\_ List of Contractors and all persons who will be entering condominium unit

Submit this Application to the Association's Manager: Welch Randall Real Estate, 5300 S. Adams Ave Pkwy, # 8, Ogden, UT 84405; Email: [info@welchagency.com](mailto:info@welchagency.com)

\_\_\_\_\_  
TO BE COMPLETED BY MANAGEMENT COMMITTEE:

Date application received by Management Committee: \_\_\_\_\_

Approved: \_\_\_\_\_ Conditionally approved \_\_\_\_\_ Disapprove \_\_\_\_\_

Date of decision by Management Committee: \_\_\_\_\_