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DECLARATION OF CONDOMINIUM

for

THE LOFTS AT CREEKSIDE CONDOMINIUMS

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**DECLARATION OF COVENANTS
CONDITIONS AND RESTRICTIONS
FOR
THE LOFTS AT CREEKSIDE
CONDOMINIUMS**

THIS Declaration of Covenants, Conditions, and Restrictions for The Lofts at Creekside Condominiums, a Utah condominium project (this “**Declaration**”) is executed and effective as of the date entered herein, by Skyline Holdings Group, LLC, a Utah limited liability company (“**Declarant**”), whose address is 564 W 700 S #405, Pleasant Grove, Utah 84062.

ARTICLE 1 - DEFINITIONS

As used in this Declaration, each of the following terms shall have the meanings indicated (other terms that are used only in one section and its subsections are defined in that section):

“**Act**” means the Utah Condominium Ownership Act, Utah Code Annotated, Title 57, Chapter 8, as in effect on, and as amended after, the date of this Declaration, and any successor or substitute provisions.

“**Annual Assessment**” shall have the meaning given it in Section 7.3.

“**Annual Budget**” means a budget that sets forth an itemization of the anticipated Common Expenses for the calendar year to which such Annual Budget is applicable.

“**Articles of Incorporation**” means the Articles of Incorporation of the Association.

“**Assessments**” shall mean Annual Assessments, Special Assessments, Default Assessments, and any other charge imposed or levied by the Association against an Owner, including but not limited to those related to Common Expenses as well as miscellaneous assessments for capital improvements and for the purpose of restoring and reconstructing the Condominium Project in the event of casualty, all as provided in this Declaration.

“**Association**” means The Lofts at Creekside Condominiums Owners Association, a Utah non-profit corporation, which comprises all of the Owners acting as a group in accordance with the Act and this Declaration.

“**Buildings**” means the Buildings to be constructed on the Land, as depicted on the Plat.

“**Bylaws**” means the bylaws of the Association, a copy of which is attached hereto as Exhibit C.

“**Common Areas**” means all parts of the Project that are not Units, including but not limited to the Land, all portions of the Buildings not contained within the Units, including but not limited to the foundation, columns, girders, beams, supports, perimeter and supporting walls, roofs, patios, balconies, entrances and exits, and the mechanical installations of the Buildings consisting of the equipment and materials making up any central services which exist to serve one or more of the Units, including but not limited to pipes, vents, ducts, flues, cable conduits, wires, telephone wire, and other similar utility installations used in connection therewith); yards, outdoor lighting, fences, landscaping and sidewalks; and areas used for common disposal of trash and recycling.

“Common Expenses” means all expenses of operation (including common utilities and services), management, maintenance, repair or replacement of the Common Areas, including a reasonable reserve for the periodic maintenance, repair and replacement of the Common Areas, including but not limited to premiums for the insurance obtained by the Management Committee pursuant to this Declaration or the Act, and any other cost, expense or fee properly incurred by the Association in connection with the performance of its obligations under the Governing Documents.

“Condominium Unit” means a Unit together with the Undivided Interest appurtenant to such Unit.

“County Records” means the official real estate records of the Recorder of Salt Lake County, Utah.

“Declarant Control Period” shall mean the period commencing on the date on which this Declaration is recorded in the County Records, and ending on the date which is the earlier of (a) three years thereafter, or (b) the date on which Declarant no longer owns at least 7 (seven) Units.

“Default Assessment” shall have the meaning given it in Section 7.3.

“Eligible Mortgagee” means a Mortgagee that has requested notice of certain matters from the Management Committee in accordance with Section 11.1.

“Emergency Repairs” means any repairs required immediately to prevent substantial damage to any Common Areas or to a Unit or Units.

“Fine” means a fine imposed by the Management Committee in accordance with the Rules and Regulations.

“Governing Documents” means the Act, this Declaration, the Plat, the Articles and Bylaws, and the Rules and Regulations, as applicable.

“Land” means that certain real property that is located in Salt Lake County, Utah and that is described on Exhibit A attached hereto. The Land includes any easements that benefit the Land from time to time including any easements that are set forth on the Plat.

“Limited Common Areas” means those portions of the Common Areas designated in this Declaration or the Plat as reserved for the use of a certain Unit or Units to the exclusion of the other Units. Without limiting the generality of the foregoing, any balcony, entry landing area, or patio serving one Unit shall be a Limited Common Area appurtenant to that Unit.

“Majority of the Owners” means the Owners of more than fifty percent (50%) in the aggregate of the Undivided Interests.

“Management Committee” means the Management Committee of The Lofts at Creekside Condominiums, as described in Article 6. The Management Committee is the board of directors of the Association.

“Mortgage” means a mortgage or deed of trust secured by a security interest on any Condominium Unit.

“Mortgagee” means a mortgagee under a mortgage, a beneficiary under a deed of trust and a beneficiary under any indenture secured by a security interest on any Condominium Unit.

“Owner” means the person or persons owning each Condominium Unit in fee simple, as shown in the County Records. Declarant shall be deemed to be the Owner of each Unit that is created by the recording of the Plat and that has not yet been conveyed by Declarant. However, the term “Owner” does not mean a person obligated to purchase a Unit pursuant to a purchase agreement and shall not refer to any Mortgagee (unless such Mortgagee has obtained title in fee simple to a Unit pursuant to a judicial or nonjudicial action, including, without limitation, a foreclosure proceeding or any deed or other arrangement in lieu of foreclosure) or to any person or persons purchasing a Unit under contract (until such contract is fully performed and legal title conveyed of record).

“Par Value” The value assigned to each Unit and used as a basis for the determination of each Unit’s relative share of its undivided interest in the Common Areas and facilities, voting rights in the owners’ association, liability for common expenses, or right to common profits. The Par Value of each Unit is set forth in attached Exhibit B.

“Person” (whether or not capitalized) means an individual, corporation, partnership, limited liability company, association, trustee or other legal entity.

“Plat” means the condominium plat, recorded in the County Records concurrently with the recordation this Declaration, entitled **“The Lofts at Creekside Condominiums”**, as the same may be amended on or after the date of this Declaration.

“Property” means the Land, the Buildings, and all other structures and improvements constructed on the Land on or after the date of this Declaration and all easements, rights and appurtenances belonging to, and all articles of personal property (other than personal property owned by individual Owners) intended for use in connection with, the Land, the Building, the Units or any other structures or improvements on the Land. The Property comprises the Units, the Limited Common Areas associated with each Unit, and the Common Areas.

“Rules and Regulations” means the rules and regulations for the Property adopted by the Management Committee from time to time in accordance with this Declaration, as such rules and regulations may be amended by the Management Committee after the date of this Declaration.

“Special Assessment” shall have the meaning given it in Section 7.3.

“Super Majority of the Owners” means the Owners of more than seventy-five percent (75%) in the aggregate of the Undivided Interests.

“Two-Thirds Majority of the Owners” means the Owners of two-thirds or more in the aggregate of the Undivided Interests.

“Undivided Interest” means an undivided interest, expressed as a percentage, in the Common Areas made appurtenant to each Unit by the provisions of this Declaration, as set forth in Exhibit B.

“Unit” means each separate physical part of the Property intended for any type of independent use, including one or more rooms or spaces located or to be located in one or more floors as depicted on the Plat. Each Unit comprises an individual air space unit, consisting of enclosed rooms occupying part of the Buildings and interior non-supporting, non-bearing walls and bounded by the interior surfaces of the walls, floors, ceilings, windows and doors along the perimeter boundaries of such air space, together with all fixtures and improvements contained within such air space. Paint and other wall, ceiling and floor coverings on interior surfaces shall be deemed to be a part of the Unit concerned. Notwithstanding the fact that they may be within the boundaries of such air space, the following are not part of a Unit insofar as they are necessary for the support or the use and enjoyment of another Unit, and shall be part of the Common Areas: (a) bearing walls; (b) common walls, floors and ceilings between Units or between a Unit and another Common Area (except for the interior surfaces of walls, floors and ceilings, which interior surfaces shall be part of the Unit, as described above); (c) roofs; (d) foundations; (e) attics and attic space; and (f) tanks, pumps, pipes, vents, ducts, shafts, flues, chutes, conduits, wires and other utility installations and Utility Equipment, except the outlets of any of the foregoing when located within a Unit and except for lateral sewer lines that are unique to any individual Unit. The interior surface of a window or door means the location of such surface when such window or door is closed.

“Utility Equipment” means pipes, sprinklers, wires, ducts, flues, cables, conduits, public utility lines, transformers, switch gear vaults, and other utility equipment serving the Property.

ARTICLE 2 - PURPOSE; SUBMISSION TO ACT; GENERAL PROVISIONS

21 **Purpose; Submission to Act.** Declarant intends, by recording this Declaration and the Plat, to create a Utah residential condominium project containing a total of 18 Units located in two Buildings, to be known as The Lofts at Creekside Condominiums. The Property is hereby submitted to the Act. The Property: (a) does not contain any convertible space; (b) is not an expandable condominium; (c) is not a contractible condominium; (d) is not a leasehold condominium; and (e) does not contain time period units, as all of such terms are defined in the Act.

22 **Description of Buildings.** The Property includes two Buildings, driveway/parking areas located within the Limited Common Area appurtenant to each Unit, a parking area located within the Common Area, and other improvements related thereto. The Buildings contain three stories and no basements. One Building contains 10 Units and the other contains 8 Units. Each Unit consists of a three-story residential dwelling. For each Unit, the ground floor consists of a parking garage, utility room, and entry corridor, with the upper two floors comprised of living spaces. The structural system for the Buildings consists of a concrete foundation system, wood-framed walls, and wood truss joists for floor and roof framing.

23 **Presumed Boundaries.** In interpreting the Plat or any deed or other instrument affecting the Buildings or a Unit, the boundaries of the Buildings or such Unit constructed in substantial accordance with the Plat shall be conclusively presumed to be the actual boundaries rather than the description expressed in the Plat, regardless of the settling or lateral movement of

the Buildings or any minor variance between the boundaries shown on the Plat and those of the Buildings or such Unit.

24 **Covenants Run with Land.** This Declaration and all of the provisions herein shall run with the land and may be enforced by Declarant, the Management Committee and any Owner and their respective successors in interest. Any Mortgage or other encumbrance of any Condominium Unit shall be subject and subordinate to all of the provisions of this Declaration, and in the event of foreclosure of any Mortgage or other encumbrance, the provisions of this Declaration shall be binding upon any Owner whose title is derived through the foreclosure. All Owners and their tenants and any other person who uses or occupies the Property shall be subject to the Governing Documents. All decisions and determinations made by the Management Committee in accordance with the Act or other Governing Documents shall be binding on all the Owners and occupants of the Property.

25 **Association.**

(a) *Association.* On or before conveying the first Unit to a purchaser, Declarant shall cause the Association to be incorporated. Each Owner shall automatically be a member of the Association. The Management Committee shall act as the board of directors of the Association.

(b) *Registration with the State.* In compliance with, and to the extent required by, Utah Code Ann. § 57-8-13.1 or any successor provision, the Association shall be registered with the state Department of Commerce, Division of Real Estate and shall update its registration as required by law.

(c) *Bylaws.* The Bylaws of the Association are attached to this Declaration as Exhibit C. The provisions of the Utah Revised Nonprofit Corporation Act, as in effect on, and as amended after, the date of this Declaration, shall supplement the Bylaws to the extent that such statutory provisions are not inconsistent with this Declaration or the express provisions of the Bylaws.

ARTICLE 3 - UNITS

3.1 **Subdivision of Property.** The Property is hereby subdivided into Condominium Units, each such Condominium Unit consisting of a Unit, the right to use the Limited Common Areas appurtenant to such Unit, and an appurtenant Undivided Interest in the Common Areas, as set forth on Exhibit B attached to this Declaration.

3.2 **Nature of Units.** Each Condominium Unit shall for all purposes constitute real property and may be individually conveyed, leased, encumbered, inherited or devised by will. Any Condominium Unit may be held and owned by more than one person as joint tenants, as tenants in common or in any other real property tenancy relationship recognized under the laws of the State of Utah. Each Owner shall be entitled to the exclusive ownership and possession of its Unit and, to the extent applicable, the exclusive use of any Limited Common Areas appurtenant only to its Unit subject to the provisions of this Declaration. Each Owner may separately mortgage or otherwise encumber its Condominium Unit, provided that each Mortgage of any Condominium Unit shall be subordinate to this Declaration. No Owner may mortgage or otherwise encumber the

Common Areas, except to the extent of the Undivided Interest appurtenant to its Unit.

3.3 Nature of Undivided Interests. Each Owner shall be entitled to an Undivided Interest in the percentage expressed in the attached Exhibit B. Each Owner may use the Common Areas on a nonexclusive basis, but only in accordance with the purposes for which they were intended, subject to the Governing Documents. Neither Undivided Interest nor the right of exclusive use of any Limited Common Areas shall be separated from the Unit to which it is appurtenant. The Common Expenses shall be charged to, and the voting rights shall be available to, the Owners according to their respective Undivided Interests.

3.4 Conveyance of Units. Every contract for the sale of a Unit, every deed conveying a Unit, and every other instrument affecting title to a Unit may describe a Unit by its Unit number and name of the Project, the recording date for this Declaration, the county wherein the Project is located as indicated in this Declaration or as shown on the Plat. Such description will be construed to describe the Unit, together with the undivided interest in the Common Areas and Facilities appurtenant to a Unit, and to incorporate all the rights incident to ownership of a Unit and all of the limitations on such ownership as described in this Declaration.

3.5 Improvement of Units. Each Owner shall have the exclusive right to paint, repaint, tile, paper, carpet and otherwise decorate the interior surfaces of the walls, ceilings, floors and doors forming the perimeter boundaries of its Unit and the surfaces of all walls, ceilings, floors and doors within such boundaries. Each Owner may also construct partition walls, fixtures and improvements within the boundaries of that Owner's Unit; provided, however, that such walls, fixtures and improvements shall not interfere with facilities necessary for the support, use or enjoyment of any other part of the Property; impair the structural integrity of the Buildings; or encroach on or interfere with any Common Areas. No Owner shall remove or alter any interior bearing walls within a Unit without first providing to the Management Committee (at the Owner's expense) a structural analysis from a structural engineer (which engineer is reasonably satisfactory to the Management Committee) affirming that the removal and alterations (and the reinforcement beams and supports) will not adversely impact the structural integrity of the Buildings and then providing structural reinforcement beams or supports for the modified bearing walls. No Owner shall do any work on or make any alterations or changes to the Common Areas without the prior written consent of the Management Committee.

3.6 Maintenance of Units and Limited Common Areas.

(a) *Maintenance of Units.* Each Owner, at its sole cost and expense, shall keep the interior of its Unit, including, without limitation, interior walls, window glass, ceilings, floors and fixtures and other improvements, in good condition and repair and in a clean and sanitary condition.

(b) *Maintenance of Limited Common Areas.* Notwithstanding anything herein regarding maintenance of Common Areas, each Owner, at its sole cost and expense, shall maintain in good condition and repair all Limited Common Areas appurtenant to such Owner's Unit. Without limiting the generality of the foregoing, each Owner shall maintain the window glass and doors (including the garage door) forming or situated at the exterior boundary of its Unit and shall immediately repair or replace any such window glass or door on removal, breakage or other damage; provided, however, that any replacement of windows, doors, garage doors, or any

other item that constitutes an exterior surface of a building, or any action that would affect the exterior appearance of any part of the Property, shall not be made without the prior consent of the Management Committee. The lateral sewer line that is unique to each Unit shall be considered part of the Limited Common Area appurtenant to such Unit and any blockage of such sewer line shall be the responsibility of each Owner.

(c) *Failure to Maintain.* If any Owner fails to maintain its Unit or the Limited Common Areas for which such Owner is responsible, or if any Unit or appurtenant Limited Common Areas develops an unsanitary or unclean condition or falls into a state of disrepair and the responsible Owner fails to correct such condition promptly following written notice from the Management Committee, or if any removed, broken or damaged window glass or door referred to in the preceding subsection (b) is not immediately repaired or replaced by the Owner obligated to do so, then the Management Committee may (but is not obligated to), at the expense of such Owner and without liability to such Owner for trespass or otherwise, enter the Unit concerned and correct or eliminate such unsanitary or unclean condition or such state of disrepair or repair or replace such window glass or door, as the case may be. Any funds expended by the Management Committee pursuant to this Section, together with interest at the rate of eighteen percent (18%) per annum, both before and after judgment, and all costs of collection, including, without limitation, reasonable attorneys' fees, shall constitute a Default Assessment.

3.7 **No Division of Units.** No Unit may be further divided or sub-divided or a fractional portion thereof sold or conveyed so as to be held in divided ownership (as opposed to joint tenancy, tenancy in common, or other form of joint undivided ownership).

3.8 **Separate Taxation.** Each Condominium Unit (consisting of a Unit and an appurtenant Undivided Interest) shall be deemed to be a separate parcel for purpose of assessment and taxation and shall be subject to separate assessment and taxation. Neither the Property, any Building nor any of the Common Areas may be considered as a separate parcel for purposes of assessment or taxation.

ARTICLE 4 - USES AND USE RESTRICTIONS

4.1 **Permitted Uses.** The Property shall be used exclusively for residential use, and is restricted to such use. No person shall use any portion of the Property for commercial purposes or to conduct a business of any kind, except that a Unit may be used for "home office" purposes so long as no clients, customers, suppliers or delivery services enter the Property in connection therewith.

4.2 **Prohibited Activities.** No Owner shall do or permit anything to be done in its Unit which may: (a) increase the existing rate or violate the provisions of any insurance carried with respect to the Property; (b) create a public or private nuisance, commit waste or unreasonably interfere with, annoy or disturb any other Owner or occupant of the Property; (c) overload the floors or otherwise damage the structure of the Buildings; (d) violate any law, ordinance, regulation or requirement; or (e) otherwise detract from the appearance or value of the Property.

4.3 **Compliance; Rules and Regulations.** Each Owner shall comply strictly with the Governing Documents. The Rules and Regulations may be promulgated and amended from time to time by the Management Committee; provided, however, that (a) each Rule and Regulation

must be reasonable, considering the nature of the Property; and (b) the Management Committee shall not discriminate against any specific Owner in promulgating, amending or enforcing the Rules and Regulations. Failure to comply with the Governing Documents shall be grounds for an action to recover sums due for damages or injunctive relief or both, maintainable by the Association on behalf of the Owners, or in a proper case, by an aggrieved Owner or Owners.

4.4 Parking.

(a) An enclosed parking area / garage is included within and as part of each Unit for the exclusive use and parking of the Unit Owners or occupants and their guests. In addition, the driveway approach to each Unit's garage is designated as Limited Common Area appurtenant to such Unit and may be used exclusively by that Unit's owners, occupants, or guests for parking motor vehicles subject to the conditions and restrictions in this Section 4.4.

(b) Vehicles may be parked on the Property only in designated parking areas within each Unit or in the parking areas designated as such in the Common Area and Limited Common Areas of the Property. Automobiles and motorized vehicles shall not be driven or parked on sidewalks or lawns. The Property contains some Common Area parking stalls located along Axis Creek Cove to accommodate and provide temporary, transitory parking for the guests and visitors of Unit Owners or occupants. The Common Area parking spaces may not be used as additional parking or designated for the exclusive or long-term of use of Unit Owners or occupants or their guests. Vehicles parked continuously, or consistently appearing overnight, in the Common Area parking stalls for periods exceeding 72 hours may be towed or booted without notice, at the vehicle owner's expense. Each Owner and occupant shall ensure that his/her guests and visitors do not park in locations designated exclusively for the use of any other Unit.

(c) Vehicles parked within the Limited Common Area designated as a Unit's driveway may not protrude into the private streets or driveways of the condominium Property. Improperly parked vehicles may be towed or booted without notice, at the vehicle owner's expense.

(d) Vehicles that are non-functioning or that are in obvious disrepair shall not be parked or kept within the Common Area Parking spaces, or within the Limited Common Area Parking spaces and may be towed or booted without notice at the vehicle owner's expense. Automotive maintenance and repairs shall not be performed on vehicles in the Common Area or Limited Common Area Parking spaces.

(e) Except as may be adequately accommodated in the enclosed garage parking area belonging to an individual Unit, no person shall park, store, or keep on the Property any commercial or recreational-type vehicle, including but not limited to semi-trucks, delivery trucks, campers, buses, boats, trailers, off-highway vehicles, etc.; provided, however, that delivery or moving trucks may be on the Property as reasonably necessary to make deliveries to Owners or occupants of the Units. Any vehicle parked on the Property in violation of the foregoing may be towed or booted without notice at the vehicle owner's expense.

4.5 Signs Displayed from Units. Without the prior written consent of the Management Committee or its designee, no Owner shall permit any signs, pictures, banners, flags, posters or other commercial, political, informational or directional signs, devices and objects of any kind to be displayed to the public view from any Unit, other than such signs as may be used by the Owner for the purpose of selling, renting or leasing such Owner's Unit. Nothing in this Section shall be deemed to prohibit or restrict an Owner or occupant from displaying the United States flag or political signs in space under the exclusive control of the Owner or occupant if such prohibition or restriction would constitute a violation of applicable law.

4.6 Satellite Dishes. Satellite dishes (not to exceed one meter in diameter), antennae, and other telecommunications reception devices may be located by an Owner or Tenant entirely within any area over which such Owner or Tenant has exclusive control, such as a balcony or patio, but may **not** be attached to or go through any part of the Buildings, Common Areas, roofs, windows or sills. If a satellite dish is used, such dish shall be installed in such a manner that it will not be accidentally dislodged or pose a safety hazard to any person. Any damage to property or injury to persons caused by any satellite dish or antennae shall be the responsibility of the Owner of the Unit in or for which the dish or antennae was installed.

4.7 Pets. No person shall bring or keep any animal on the Property except as expressly permitted in this Section. Cats and dogs which do not exceed thirty pounds in weight as adults shall be permitted in the Property, not to exceed two animals in any Unit, subject to compliance with all Rules and Regulations applicable to pets. Notwithstanding the foregoing, the Association shall grant reasonable accommodations for service or emotional support animals when necessary to afford persons with disabilities the equal opportunity to use and enjoy housing at The Lofts at Creekside Condominiums to the full extent required by applicable law. Pets must be kept within the Units or on leashes if they are outside of the Units.

4.8 Noxious Odors; Unreasonable Noise. Each Owner shall keep such Owner's Unit and Limited Common Areas free of objectionable noises, odors and hazardous substances. The use of cigarettes, cigars, or other products or practices which produce noxious or harmful smoke, fumes, or odors should carefully consider the proximity of and effect on other Units and their occupants. Hazardous substances may not be kept, stored or disposed of on the Property. No occupant of any Unit shall engage in any activity that consistently or continuously generates noise within a Unit which could reasonably be expected to disturb the quiet enjoyment of any other Unit.

4.9 Window Coverings. All window coverings visible from the exterior of the Buildings shall be specifically designed for use as window coverings. No foil, paper, sheets, or similar materials may be used as window coverings.

4.10 Balconies and Patios.

(a) Each Owner shall ensure that the patios or balconies appurtenant to such Owner's Unit(s) are kept clean and clutter free at all times.

(b) Storage of any materials or items (other than customary patio furniture in good repair, a reasonable number of live plants, and seasonal décor appropriate to the then-current season) shall not be allowed at any time on patios and balconies, except with the prior consent of the Management Committee.

(c) Patios and balconies shall not be used for the hanging or draping of clothing or any other materials. No blinds of any kind shall be hung from the ceilings or railings of balconies or patios.

(d) Drilling or nailing into wood or masonry on or around any patio or balcony is not permitted at any time.

(e) Open flame barbeques may not be used or stored on patios or balconies.

4.11 Leasing Provisions.

(a) If a Unit is not occupied by an Owner of the Unit, the unit shall be considered a **“Rental Unit.”** Owner’s are not prohibited from maintaining a Rental Unit; however, it shall be the Owner’s responsibility to ensure their tenant’s compliance with this Declaration and with any other applicable Governing Documents, including any rules and regulations published by the Management Committee. Such compliance shall be a requirement of any lease or rental agreement entered into between an Owner and their tenant for the occupancy of a Rental Unit. An Owner assumes all responsibility and liability for any violations of this Declaration or any Governing Documents by a tenant or other occupant of a Rental Unit.

(b) Any lease or rental agreement shall be in writing and shall provide that the terms of the lease shall be subject to the provisions of this Declaration and the Governing Documents of the Association. An Owner who maintains a Rental Unit shall provide a copy of any lease or rental agreement to the Management Committee.

(c) Enforcement of Lease by Association: Any lease or rental agreement for any Unit within the property shall include the following language, and, if such language is not expressly contained in such lease or rental agreement, the Owner leasing his Unit hereby agrees that such language shall be deemed incorporated into the lease:

Any violation of the Declaration of Condominium of The Lofts at Creekside Condominiums (“Declaration”) and/or any Rules and Regulations adopted pursuant thereto (collectively “Violations”), by the lessee, any occupant, or any guest of lessee; is deemed to be a default under the terms of the lease and authorizes the Owner to terminate the lease without liability and to evict the lessee in accordance with Utah Law. The Owner hereby delegates and assigns to the Management Committee of The Lofts at Creekside Condominiums the power and authority of enforcement against the lessee for breaches resulting from any Violations, including the power and authority to evict the lessee as attorney in fact on behalf and for the benefit of the Owner, in accordance with the terms hereof. In the event the Management Committee proceeds to evict the lessee, any costs, including reasonable attorney fees, court costs, and any other expenses incurred by the Association associated with the eviction shall be an assessment and lien against the Unit.

ARTICLE 5 - EASEMENTS

5.1 Easements for Encroachments. If on or after the date of this Declaration: (a) any part of the Common Areas encroaches on any part of a Unit; or (b) any part of a Unit encroaches on a part of the Common Areas, then a non-exclusive easement for each such encroachment and for the maintenance of the same shall exist immediately and automatically, and Declarant reserves such easement for the benefit of each Unit and each Common Area. Such encroachments shall not be considered to be encumbrances on any Unit or the Common Areas. Such encroachments may include, without limitation, encroachments caused by error in the original construction of the Buildings or any other improvements, error in the Plat, settling, rising or shifting of the earth or changes in position caused by repair or reconstruction of the Property.

5.2 Easements for Maintenance. Some of the Common Areas may be located within the Units or may be conveniently accessible only through the Units. Declarant grants the Management Committee a non-exclusive easement and the irrevocable right to have access to each Unit and to all Common Areas at reasonable times and under reasonable circumstances as may be necessary for: (a) the maintenance, repair, replacement and cleaning of the Common Areas; or (b) making Emergency Repairs, provided that the Management Committee shall make a reasonable effort to provide notice to the occupant of the Unit prior to entry. Such entry shall be made so as to minimize the inconvenience caused thereby, and the cost to repair any resulting damage shall be a Common Expense.

5.3 Easements for Units.

(a) Declarant reserves for each Unit:

(i) a non-exclusive easement for, and the right of, ingress and egress on, over and across the Common Areas as necessary for access to and from such Unit;

(ii) a non-exclusive easement for, and the right to, horizontal, vertical and lateral support from all surrounding Buildings elements;

(iii) a non-exclusive easement in common with all other Units for Utility Equipment and other Common Areas from time to time and at any time located in any other Units and serving the benefitted Unit.

(b) Declarant subjects each Unit to a non-exclusive easement in favor of all other Units for the installation, maintenance, repair and replacement of Utility Equipment and other Common Areas from time to time and at any time located in such Unit and serving any other Unit.

5.4 General Provisions. Each easement and right created by this Article is an appurtenance to the real property benefitted thereby and is a burden on the real property burdened thereby. All conveyances of a Condominium Unit shall be deemed to be made together with and subject to the easements set forth in this Article. The easements created under this Article shall terminate upon the termination of the Declaration. The use of any easement granted under this Declaration shall not disturb unreasonably the quiet enjoyment of any other Unit by its Owner and occupants.

ARTICLE 6 - MANAGEMENT COMMITTEE

6.1 **Establishment.** Subject to the provisions of this Declaration, the Property shall be operated, managed and maintained by the Management Committee. The Management Committee, acting on behalf of the Association, shall be vested with, and shall have all rights, powers and authority given to a management committee or an association of unit owners under the Act and all rights, powers and authority as are necessary to perform its duties under the Governing Documents, which shall include, but not be limited to, the rights, powers and authority to:

- (a) administer and enforce the covenants, conditions, restrictions, easements, and other provisions of the Governing Documents including this Declaration;
- (b) keep in good order, condition and repair all the Common Areas;
- (c) without the vote or consent of the Owners, Mortgagees, or of any other person, grant or create (and/or to relocate), on such terms as it deems advisable, reasonable licenses, rights-of-way and easements over, under, across and through the Common Areas for utilities and other purposes reasonably necessary or useful for the proper operation and maintenance of the Property;
- (d) sue and be sued on behalf of the Association;
- (e) enter into contracts that are within the scope of the powers and duties of the Management Committee;
- (f) promulgate such Rules and Regulations as may be necessary or desirable to ensure that the Property is maintained and used in a manner consistent with this Declaration and the interests of the Owners and to establish penalties for the infraction of such Rules and Regulations;
- (g) levy and collect Assessments for the payment of Common Expenses;
- (h) perform any other acts and to enter into any other transactions authorized by the Governing Documents or the Act or which may be reasonably necessary for the Management Committee to perform its functions on behalf of the Owners.

6.2 Composition; Appointment.

- (a) During the Declarant Control Period, the Management Committee shall be one and the same as the Declarant.
- (b) After the expiration of the Declarant Control Period, the Management Committee shall consist of three natural persons who are also Unit Owners and who are elected or appointed by the majority of Unit Owners or members of the association. If a Unit is owned by a business entity, the entity's officers, partners, managers, members or agents are eligible to serve on the Management Committee. At each annual meeting of the Owners, the Unit Owners shall elect or otherwise designate the members of the Management Committee. If a member of the Management Committee no longer has an ownership interest in any Unit due to sale of other disposition, such grantor/seller shall cease to be a member

of the Management Committee and the Unit Owners shall promptly appoint a replacement member to the Management Committee. If no more than two Unit Owners are willing to serve as members of the Management Committee, it may operate with two members until a third member is willing and available to serve. If voting is necessary to elect members of the Management Committee, each Unit shall have a vote commensurate with that Unit's Par Value. The Par Value of any Unit may not be divided for voting purpose. If a Unit has more than one owner, the owners must agree on any vote(s) cast on behalf of their Unit.

63 Officers and Agents. The Management Committee shall perform its functions through the members of Management Committee in accordance with the Bylaws and through such agents or employees as the Management Committee may appoint or employ.

64 Records.

(a) The Management Committee shall keep detailed, accurate records in chronological order of the receipts and expenditures of the Association. Such records shall be available for examination by the Owners at convenient hours on weekdays. The Management Committee shall maintain up-to-date records showing (a) the name of each person who is an Owner, the address of the Unit owned by such Owner, and the mailing address and electronic mail address (if any) of such Owner; and (b) the name and address of each Eligible Mortgagee and the Unit that is encumbered by such Eligible Mortgagee.

(b) On any transfer of a fee interest in a Condominium Unit, the transferee shall furnish the Management Committee with evidence that the transfer has occurred and that the deed or instrument of conveyance is of record in the County Records. The Management Committee may rely on such information or, at its option, on current ownership information that is obtained from the County Records. The mailing address of an Owner shall be deemed to be the address of the Unit owned by such Owner unless such Owner provides written notice to the Management Committee of a different mailing address.

(c) The Management Committee shall make available for inspection on request during normal business hours or under other reasonable circumstances to Owners and Mortgagees, current copies of this Declaration, the Plat, the Rules and Regulations and the books, records and financial statements of the Association.

65 Professional Management. The Management Committee may (but is not obligated to) engage a professional manager to perform any functions that are properly the subject of delegation. The manager shall be an independent contractor and not an agent or employee of the Management Committee, shall be responsible for managing the Property for the benefit of the Association and the Owners and shall, to the extent permitted by law and by the terms of the agreement with the Management Committee, be authorized to perform any of the functions or acts required or permitted to be performed by the Management Committee itself. Any such management agreement shall run for a reasonable period not to exceed to three years.

66 Liability. No member of the Management Committee or any officer of the Association shall be liable to the Owners for any mistake of judgment, for negligence or on other grounds, except for such member's own willful misconduct, gross negligence, bad faith or more culpable conduct, subject to the following:

(a) *General.* Members of the Management Committee and officers of the Association: (a) shall have no personal liability in contract to an Owner or any other person or entity under any agreement, instrument or transaction entered into by them on behalf of the Association in their capacity as such; (b) shall have no personal liability in tort to any Owner or any person or entity, direct or imputed, by virtue of acts performed by them in their capacity as such, except for their own willful misconduct, gross negligence, bad faith or more culpable conduct, nor for acts performed for them in their capacity as such; and (c) shall have no personal liability arising out of the use, misuse or condition of the Property, which might in any way be assessed against or imputed to them as a result of or by virtue of their capacity as such.

(b) *Specific Listing.* Without limiting the generality of subsection (a) above, and notwithstanding any provision of the Governing Documents to the contrary, neither the Management Committee, the Association, nor any member of the Management Committee shall be liable for any loss, injury, death or damage (including any consequential damage) to persons, property or business resulting from any theft, act of God, public enemy, injunction, riot, strike, insurrection, war, court order, requisition, order of governmental body or authority, fire, explosion, falling object, steam, water, rain, snow, ice, breakage, leakage, obstruction or other defects of Utility Equipment, appliances, plumbing, air conditioning or lighting fixtures, construction, repair or alteration of the Property or other cause beyond such person's reasonable control.

(c) *Indemnity.* Each Owner and the Association shall indemnify each member of the Management Committee and each officer of the Association against all claims made by third parties arising out of any contract made by the Management Committee on behalf of the Owners, unless such contract was made in bad faith. The liability of any Owner arising out of any contract made by the Management Committee or an officer of the Association or out of the indemnification provision set forth in the immediately preceding sentence shall be limited to the total liability concerned multiplied by such Owner's Undivided Interest.

67 **Initial Agent for Service of Process.** The following shall be the initial person to receive service of process on behalf of the Property, the Management Committee and the Association:

Dustin Kuttler
Skyline Holdings Group, LLC
564 W 700 S #405
Pleasant Grove, Utah 84062

The Management Committee shall have the right to appoint a successor or substitute process agent at any time and from time to time. The name and address of any such successor or substitute agent shall be specified by an appropriate instrument recorded in the Salt Lake County Recorder's office, a copy of which shall be delivered to each Owner. Service of process on two or more Owners in any action relating to the Common Areas or more than one Unit may be made on the agent designated above.

68 **General Standard.** The Management Committee shall act fairly and reasonably in discharging its duties under this Declaration and in so doing shall not discriminate between or among any Owners or any classifications of Owners.

ARTICLE 7 - COMMON AREAS; COMMON EXPENSES; ASSESSMENTS.

7.1 **Common Areas.** The Management Committee shall be responsible for the operation, management, maintenance, repair and replacement of the Common Areas and the making of any additions or improvements to the Common Areas as may be reasonably necessary to keep them clean, safe, functional, attractive and generally in good condition and repair. The maintenance of the outdoor portions of the Common Areas shall include but not be limited to the removal of weeds and debris and periodic cleaning, sweeping, and removal of ice and snow.

72 **Annual Budget.** Before November 1st of each year the Management Committee shall prepare an Annual Budget for the next following calendar year. In preparing such Annual Budget, the Management Committee shall take into account any deficit or surplus anticipated to be realized during the then-current calendar year. Such Annual Budget shall be subject to the approval of a Majority of the Owners.

73 **Assessments.** Each Owner shall pay Assessments in accordance with the following:

(a) *Annual Assessments.* Prior to the first day of January of each calendar year, the Management Committee shall notify each Owner of the amount of its share of the Common Expenses for that calendar year as set forth in the Annual Budget for such year (the Owner's "**Annual Assessment**"). Each Annual Assessment shall be paid in monthly installments, each in an amount equal to one-twelfth of the Annual Assessment, which each such installment due on the first day of each calendar month.

(b) *Special Assessments.* The Board of Directors may levy in any calendar year one or more special assessments (each, a "**Special Assessment**", applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, repair or replacement of a capital improvement within the Property or any facilities located in the Property, including the necessary fixtures and personal property related to it, or to make up any shortfall in the current Annual Budget. Notice of the amount and due dates for any Special Assessment shall be sent to each Owner at least 30 days prior to the due date. If any Special Assessment is to be used for the construction of new facilities (as opposed to repair and reconstruction of existing facilities in the Property), and if the total amount of the Special Assessment levied for such construction exceeds 10% of the total Annual Budget for that year, then the Special Assessment shall require the approval of a Majority of Owners.

(c) *Late Payments and Assessments.* The Management Committee may establish and assess reasonable charges for delinquent payments of any Assessment or any installment thereof. A late fee equal to 5% of the delinquent amount and interest at the rate of 18% per annum on the delinquent amount shall be deemed to be reasonable. All payments made by an Owner under this Declaration shall be applied first to pay any costs

of collection, next to outstanding Fines and late charges, next to interest and finally to Assessments or other amounts due from the Owner.

(d) *Default Assessments.* All Fines, penalties, interest or other charges or fees levied against an Owner pursuant to the Governing Documents, or any expense of the Association which is the obligation of an Owner or which is incurred by the Association on behalf of the Owner pursuant to the Governing Documents, and any expense (including without limitation attorneys' fees) incurred by the Association as a result of the failure of an Owner to comply with the Governing Documents, shall constitute a "**Default Assessment.**"

(e) *No Exemption.* No Owner may exempt itself from liability for its Assessment obligations by waiver of the use or enjoyment of any of the Common Areas or abandonment of its Unit. No diminution or abatement of any Assessments under this Declaration shall be claimed or allowed for any action or inaction of the Management Committee or the Association.

74 **Collection of Assessments.**

(a) *Personal Obligation of Owner.* Every Owner shall pay Assessments in the amounts and at the times determined by the Management Committee in accordance with this Declaration and the Act. Each Assessment assessed against a Unit is a personal debt and obligation of the Owner of the Unit at the time the Assessment is made and regardless of whether the Unit is used as a Rental Unit. In a voluntary conveyance, the grantee of a Unit shall be jointly and severally liable with the grantor for all unpaid Assessments against the Unit up to the time of the grant or conveyance, without prejudice to the grantee's rights to recover from the grantor the amounts paid by the grantee. However, any such grantee shall be entitled to a statement from the manager or Management Committee setting for the amounts of the unpaid assessments against the grantor, and such grantee shall not be liable for, nor shall the unit conveyed be subject to a lien for, any unpaid assessments against the grantor in excess of the amount set forth. Suit to recover a money judgment for unpaid Assessments is maintainable without foreclosing or waiving the lien securing it.

(b) *Cessation of Services.* If an Owner shall be in default for the period of one month in the payment of Assessments, then the Management Committee may, at its option, and for so long as such default shall continue, cease to provide any or all services to such Owner's Unit pertaining to such Unit.

(c) *Collection of Rent.* If an Owner shall at any time lease or rent its Unit and shall default for a period of one month in the payment of Assessments, then the Management Committee may, at its option, so long as such default shall continue, demand and receive from any tenant of the Owner the rent due or becoming due, in compliance with applicable provisions of the Act and the Governing Documents.

(d) *Lien.* Each Assessment shall constitute a lien on the applicable Owner's Condominium Unit, which lien may be foreclosed in the manner of the foreclosure of a deed of trust or by any other method available under applicable law for the foreclosure of liens. For the purpose of foreclosure by trustee's sale, the Declarant appoints First American Title

Insurance Company, having an address at 215 South State, Suite 380, Salt Lake City, Utah 84111, to have and exercise the power of the trustee and the power to bid on a Unit at a foreclosure or other sale and to acquire, hold, lease, mortgage and convey such Unit. Pursuant to Utah Code §§ 57-1-20 and 57-8-45, the Declarant hereby conveys and warrants to such trustee, with power of sale, the Units and all improvements to the Units for the purpose of securing payment of Assessments under the terms of this Declaration. An Owner's acceptance of an interest in a Unit constitutes a simultaneous conveyance of the Unit in trust, with power of sale, to the designated trustee. The Management Committee may appoint another qualified trustee by executing a substitution of trustee form. In any foreclosure of a lien for Assessments, the Owner concerned shall pay the costs and expenses of such proceedings and reasonable attorneys' fees, which shall be secured by the same lien. The Association may bid on such Unit at foreclosure or other sale and, if successful, hold, lease, mortgage or convey such Unit.

75 Estoppel Statement. The Management Committee shall, on the written request of any Owner or any Mortgagee or prospective Mortgagee or prospective purchaser of a Condominium Unit, and on payment of a reasonable fee in an amount to be determined by the Management Committee subject to any limitations imposed by the Act, issue to the requesting person or persons a written statement setting forth the amount of any unpaid Assessments for such Condominium Unit. Such written statement shall be conclusive on the remaining Owners and the Association in favor of all persons who rely on such written statement in good faith.

76 Reserve Fund.

(a) *Reserve Fund.* The Management Committee shall establish and maintain a reserve fund to cover the cost of repairing, replacing, or restoring Common Areas that have a useful life of three years or more and a remaining useful life of less than 30 years, if the cost cannot reasonably be funded from the general budget or other funds of the Association, as determined by the Owners annually. Reserve funds may be collected as part of Annual Assessments or Special Assessments. If there are surplus monies after payment of all Common Expenses for any fiscal year, the Management Committee may, in its discretion, (i) retain surplus Association money and credit it against the Assessments for the following fiscal year, or (ii) deposit such surplus in the reserve fund. The Management Committee shall segregate money held for reserves from regular operating accounts.

(b) *Reserve Analysis.* The Management Committee shall, every five years, conduct an analysis (a "**Reserve Analysis**") to determine the appropriate amount needed in the reserve fund to satisfy the purposes for which the reserve fund is maintained. The Management Committee shall review and, if necessary, update a previously conducted Reserve Analysis no less frequently than every two (2) years. The Reserve Analysis report shall be prepared by a person or persons with (i) experience in current building technologies, (ii) a solid working knowledge of building cost estimating and life cycle costing for facilities, and (iii) the tools and knowledge to prepare a report.

(c) *Disclosure and Approval at Annual Meeting.* Annually, at the annual meeting of the Owners or a special meeting of Owners, the Management Committee shall present the most recent Reserve Analysis and any updates to the Reserve Analysis, and provide an opportunity for Owners to discuss reserves and to vote on how to fund the reserves and in what amount.

ARTICLE 8 - INSURANCE

8.1 **Insurance.** The Association shall obtain insurance as required in this Declaration and as required by the Act. In addition, the Association may, as the Management Committee considers appropriate, obtain additional types of insurance, or greater coverage, than the insurance and coverages required below. Insurance coverage shall be written on the Property in the name of the manager, Management Committee, or Association of Unit Owners, as trustee for each of the unit owners in the percentages established in this Declaration. Premiums on insurance shall be considered Common Expenses. Any provision for insurance herein will not preclude the right of each Unit Owner to insure their own Unit for their sole benefit.

(a) *Property Insurance.* The Association shall obtain and maintain at all times blanket property insurance or guaranteed replacement cost insurance on the physical structures in the Property, including the Common Areas and the Units, insuring against all risks of direct physical loss commonly insured against, including fire and extended coverage perils, with total coverage not less than 100% of the full replacement cost of the insured property at the time the insurance is purchased and at each renewal date, excluding only items normally excluded from property insurance policies. Such property insurance shall include coverage for any fixture, improvement, or betterment installed at any time to a Unit or to a Limited Common Area, whether installed in the original construction or in any remodel or later alteration, including a floor covering, cabinet, light fixture, electrical fixture, heating or plumbing fixture, paint, wall covering, window, and any other item permanently part of or affixed to a Unit or to a Limited Common Area.

(b) *Liability Insurance.* The Association shall obtain and maintain at all times liability insurance covering all occurrences commonly insured against for death, bodily injury, and property damage arising out of or in connection with the use, ownership, or maintenance of the Common Areas, in an amount determined by the Management Committee but not less than Two Million Dollars (\$2,000,000.00) for any single occurrence. Each Owner shall be an insured person under such liability insurance policy, but only for liability arising from (i) the Owner's ownership interest in the Common Areas; (ii) maintenance, repair, or replacement of Common Areas; and (iii) the Owner's membership in the Association.

(c) *Flood Insurance.* If any part of the Property is or comes to be situated in a Special Flood Hazard Area as designated on a Flood Insurance Rate Map, a policy of flood insurance shall be maintained covering the Project or, at a minimum, that portion of the Property located within the Special Flood Hazard Area, in an amount deemed appropriate, but not less than the lesser of: (i) the maximum limit of coverage available under the National Flood Insurance Program for the Insurable Property within any portion of the Property located within a designated flood hazard areas; or (ii) one hundred percent (100%) of the insurable value of the Property.

(d) *Directors and Officers Insurance; Theft and Embezzlement Insurance.* The Management Committee may, but shall not be obligated to, obtain (i) Directors' and Officers' liability insurance protecting the Management Committee, the officers, and the Association against claims of wrongful acts, mismanagement, failure to maintain adequate reserves, failure to maintain books and records, failure to enforce the Governing Documents,

and/or breach of contract, and (ii) insurance covering the theft or embezzlement of funds from the Association.

82 **Waiver of Subrogation against Owners and Association.** All property and CGL policies must contain a waiver of subrogation by the insurer as to any claims against the Association and the Owners and their respective agents and employees.

83 **Loss; Deductibles.**

(a) If a loss occurs that is covered by a property insurance policy in the name of the Association and another property insurance policy in the name of an Owner, then the Association's policy provides primary insurance coverage, the Owner is responsible for the Association's policy deductible, and the Owner's policy applies to that portion of the loss attributable to the Association's policy deductible.

(b) An Owner that has suffered damage to a Unit ("**Unit Damage**") as part of a loss, resulting from a single event or occurrence, that is covered by the Association's property insurance policy (a "**Covered Loss**") is responsible for an amount calculated by applying the percentage of total damage resulting in a Covered Loss that is attributable to the Unit Damage ("**Unit Damage Percentage**") for that Unit to the amount of the deductible under the Association's property insurance policy.

(c) If an Owner does not pay the amount required under Subsection (b) above within 30 days after substantial completion of the repairs to, as applicable, the Unit or the Limited Common Area appurtenant to the Unit, the Association may levy a Default Assessment against the Owner for that amount.

(d) The Association shall keep in a segregated bank account an amount equal to the Association's property insurance policy deductible or \$10,000, whichever is less. This requirement shall not apply to any earthquake or flood insurance deductible.

(e) If, in the exercise of its business judgment, the Management Committee determines that a claim is likely not to exceed the Association's property insurance policy deductible: (a) the Owner's policy is considered the policy for primary coverage to the amount of the Association's policy deductible; (b) an Owner who does not have a policy to cover the Association's property insurance policy deductible is responsible for the loss to the amount of the Association's policy deductible; and (c) the Association need not tender the claim to the Association's insurer.

(f) The Association shall provide notice to each Owner of the Owner's obligation under this Section for the Association's policy deductible and of any change in the amount of the deductible. If the Association fails to provide notice of the initial deductible, it shall be responsible for the entire deductible in case of any loss. If the Association fails to provide notice of any increase in the deductible, it shall be responsible for paying any increased amount that would otherwise have been assessed to the Owner. The failure to provide notice shall not invalidate or affect any other provision in this Declaration.

84 Association's Right to Negotiate Claims and Losses and Receive Proceeds. Insurance proceeds for a loss under the Association's property insurance policy are payable to an Insurance Trustee if one is designated, or to the Association, and shall not be payable to a holder of a security interest. An Insurance Trustee, if any is appointed, or the Association shall hold any insurance proceeds in trust for the Association, Owners, and lien holders. Insurance proceeds shall be disbursed first for the repair or restoration of the damaged property, if the property is to be repaired and restored as provided for in this Declaration. After any repair or restoration is complete and if the damaged property has been completely repaired or restored, any remaining proceeds shall be paid to the Association. If the property is not to be repaired or restored, then any remaining proceeds after such action as is necessary related to the property has been paid for, shall be distributed to the Owners and lien holders, as their interests remain with regard to the Units. Each Owner hereby appoints the Association, or any Insurance Trustee, as attorney-in-fact for the purpose of negotiating all losses related thereto, including the collection, receipt of, and appropriate disposition of all insurance proceeds; the execution of releases of liability; and the execution of all documents and the performance of all other acts necessary to administer such insurance and any claim. This power-of-attorney is coupled with an interest, shall be irrevocable, and shall be binding on any heirs, personal representatives, successors, or assigns of an Owner.

85 Insurance Trustee. In the discretion of the Management Committee or upon written request executed by Owners holding at least 50% of the Undivided Interests, the Management Committee shall hire and appoint an insurance trustee ("**Insurance Trustee**"), with whom the Association shall enter into an insurance trust agreement, for the purpose of exercising such rights under this paragraph as the Owners or Management Committee (as the case may be) shall require.

86 Amendments to this Section to Comply with Applicable Law. These insurance provisions are intended to comply with current Utah law. It is further intended that any future changes to the insurance law applicable to condominium associations shall apply to this Association. Notwithstanding anything contrary in this Declaration, the Management Committee may unilaterally, without approval of the Owners, amend this Article to comply with future changes to applicable law.

ARTICLE 9 - DESTRUCTION; CONDEMNATION; RESTORATION

9.1 Definitions. As used herein, each of the following terms shall have the meaning indicated:

"Available Funds" means any proceeds of insurance, Condemnation awards, payments in lieu of Condemnation and other uncommitted funds held by the Management Committee, including amounts contained in any reserve or contingency fund. Available Funds shall not include that portion of insurance proceeds legally required to be paid to any party other than the Management Committee, including a Mortgagee, or that portion of any Condemnation award or payment in lieu of Condemnation payable to an Owner or its Mortgagee for the Condemnation of the Condominium Unit in which it is interested.

"Condemnation" means any action or proceeding in which any interest in the Property is taken for any public or quasi-public purpose by any lawful authority through exercise of the power of eminent domain or by purchase or other means in lieu of such exercise.

“Estimated Cost of Restoration” means the estimated cost of Restoration as determined by the Management Committee in its sole discretion.

“Restoration” means restoration of the Property to the extent reasonably possible in accordance with this Declaration, the Plat and the original plans and specifications for the Property and to substantially the same condition in which the Property existed prior to the damage or destruction concerned, with each Unit and the Common Areas having the same vertical and horizontal boundaries as before, and to the extent not so possible, **“Restoration”** means restoration of the Property to an attractive, sound and desirable condition. Any Restoration not in accordance with this Declaration, the Plat and the original plans and specifications for the Project shall require the consent of Eligible Mortgagees holding Mortgages on Units which have appurtenant at least 51% of the Undivided Interests which are then subject to Mortgages held by Eligible Mortgagees.

“Restored Value” means the value of the Property after Restoration.

“Substantial Condemnation” means the occurrence of: (a) the Condemnation of all of the Property; or (b) the Condemnation of part of the Property where the Estimated Costs of Restoration is 75% or more of the estimated Restored Value of the Property. **“Partial Condemnation”** means the occurrence of any Condemnation which is not a Substantial Condemnation.

“Substantial Destruction” means the occurrence of any damage or destruction of the Property where the Estimated Cost of Restoration is 75% or more of the estimated Restored Value of the Property. **“Partial Destruction”** means the occurrence of any damage or destruction to the Property which is not a Substantial Destruction.

9.2 **Management Committee Determinations.** On the occurrence of any Condemnation of, or damage or destruction to, the Property, the Management Committee shall make a determination as to whether the Estimated Cost of Restoration is 75% or more of the estimated Restored Value of the Property. In making such determinations the Management Committee may (but is not obligated to) retain and rely on one or more qualified appraisers or other professionals.

9.3 **Restoration.** Restoration of the Property shall be undertaken by the Management Committee promptly without a vote of the Owners on the occurrence of Partial Condemnation or Partial Destruction, and shall also be undertaken on the occurrence of Substantial Condemnation or Substantial Destruction unless the election to not undertake Restoration is consented to by a Two-Thirds Majority of the Owners and is further consented to by Eligible Mortgagees holding Mortgages on Units which have appurtenant at least 51% of the Undivided Interests which are then subject to Mortgages held by Eligible Mortgagees. Within 30 days after the Management Committee has determined that Substantial Condemnation or Substantial Destruction has occurred, it shall send to each Owner and Eligible Mortgagee a written description of the Condemnation or the damage or destruction involved, shall take appropriate steps to ascertain the preferences of the Eligible Mortgagees concerning Restoration and shall, with or without a meeting of the Owners (but in any event in accordance with the applicable provisions of this Declaration), take appropriate steps to determine the preferences of the Owners regarding

Restoration. If Condemnation awards, payments in lieu of Condemnation or insurance proceeds actually received by the Management Committee exceed the cost of Restoration when Restoration is undertaken, then the excess shall be paid and distributed to the Owners in proportion to their respective Undivided Interests or, in the discretion of the Management Committee, shall be held to defray future Common Expenses. Payment to any Owner whose Unit is then the subject of a Mortgage shall be made jointly to such Owner and the interested Mortgagee. If the cost of Restoration exceeds Available Funds, then all of the Units shall be assessed for the deficiency on the basis of their respective Undivided Interests. If all or any portion of one or more Units is damaged or destroyed but is not the subject of Restoration (even through the Property will continue as a condominium project) or is taken in a Condemnation, then the Undivided Interest of such Unit or Units shall immediately be reallocated to the remaining Units in accordance with the method set forth in Section 9.6 below.

9.4 Sale of Property. Unless Restoration is accomplished pursuant to Section 9.3, the Property shall be sold following the occurrence of Substantial Condemnation or Substantial Destruction. On such sale, condominium ownership under this Declaration and the Plat shall terminate and the proceeds of sale and any Available Funds shall be distributed by the Management Committee to the Owners in proportion to their respective Undivided Interests. Payment to any Owner whose Unit is then the subject of a Mortgage shall be made jointly to such Owner and the interested Mortgagee.

9.5 Authority to Represent Owners. The Management Committee, as attorney-in-fact for each Owner, shall represent all of the Owners in any Condemnation or in negotiations, settlements and agreements with the condemning authority for the acquisition of all or any part of the Property. The award in any Condemnation and the proceeds of any settlement related thereto shall be payable to the Association for the use and benefit of the Owners and their Mortgagees as their respective interests may appear. The Management Committee, as attorney-in-fact for each Owner, shall have and is granted full power and authority to restore or to sell the Property and each Unit therein wherever Restoration or sale, as the case may be, is undertaken as provided above. Such authority shall include the right and power to enter into any contracts, deeds or other instruments which may be necessary or appropriate for Restoration or sale.

9.6 Reallocation of Interests on Condemnation. If any Unit is taken by Condemnation, then the Undivided Interest appurtenant to such Unit shall thereafter be appurtenant to the remaining Units, being allocated to the remaining Units in proportion to their respective Undivided Interests. The court shall enter a decree reflecting the reallocation of the Undivided Interests so produced, and the award shall include, without limitation, just compensation to the Owner of any Unit taken for its Undivided Interest as well as for its Unit. If any portion of any Unit is taken by Condemnation, then the court shall determine the fair market value of the portion of the Unit not taken, and the Undivided Interest appurtenant to such Unit shall be reduced in proportion to the diminution in the fair market value of such Unit resulting from such Condemnation. The Undivided Interest thus divested from the Owner of such Unit shall be reallocated among such Unit and the other Units in proportion to their respective Undivided Interests, with any Unit partially taken in Condemnation participating in the reallocation on the basis of its Undivided Interest as reduced in accordance with the preceding sentence. The court shall enter a decree reflecting the reallocation of the Undivided Interest so produced, and the award shall include, without limitation, just compensation to the Owner of any

Unit partially taken for that portion of its Undivided Interest divested from it and not revested in it as well as for that portion of its Unit taken by Condemnation. If, however, the Condemnation of a portion of any Unit makes it impractical to use the remaining portion of such Unit for any lawful purpose permitted by this Declaration, then the entire Undivided Interest appurtenant to such Unit shall thereafter be appurtenant to the remaining Units, being allocated to the remaining Units in proportion to their respective Undivided Interests, and the remaining portion of such Unit shall thereafter be part of the Common Areas. The court shall enter a decree reflecting the reallocation of Undivided Interests so produced, and the award shall include, without limitation, just compensation to the Owner of such Unit for its entire Undivided Interest and for its entire Unit.

9.7 **Allocation of Proceeds upon Partial Condemnation.** If a portion of the Common Areas is taken by Partial Condemnation, then the award for it shall be allocated to the Owners in proportion to their respective Undivided Interests; provided, however, that the Management Committee may elect to retain the award to defray Common Expenses rather than to distribute the award to Owners.

ARTICLE 10 - AMENDMENTS.

101 **Amendment.** Except as otherwise provided in this Article, the vote of a Two Thirds Majority of the Owners shall be required and shall be sufficient to amend this Declaration or the Plat. Any amendment so authorized shall be accomplished through the recordation in the County Records of an instrument executed (solely) by the Management Committee. In such instrument the Management Committee shall certify that the vote required by this Section for amendment has occurred and, if approval of a specified percentage of Eligible Mortgagees is required for such amendment, that such approval has been obtained.

102 **Removal of Property from Act.** The Owners may remove the Property from the provisions of the Act by an affirmative vote of all (but not less than all) of the Owners, at a meeting of Owners duly called for such purpose, provided that the holders of all liens affecting the Condominium Units consent or agree by instruments duly recorded that their liens may be transferred to the undivided interest of the Owner concerned in the Property. On removal of the Property from the provisions of the Act, the Property shall be deemed to be owned in common by the Owners. The undivided interest in the Property owned in common by each Owner shall be equal to the Undivided Interest previously owned by such Owner. Any removal so authorized shall be accomplished through the recordation of an instrument in the County Records executed (solely) by the Management Committee. In such instrument the Management Committee shall certify that the vote required by this Section for removal has occurred. The removal provided for in this Section shall not bar the subsequent resubmission of the Property to the provisions of the Act.

103 **Sale of Property.** The Owners may, by an affirmative vote of a Super Majority of the Owners, at a meeting of Owners duly called for such purpose, elect to sell or otherwise dispose of the Property. Such action shall be binding upon all Owners, and it shall thereupon become the duty of every Owner to execute and deliver such instruments and to perform all acts as in manner and form may be necessary to complete the sale. Notwithstanding the foregoing, sale of the Property in the event of damage, destruction, or condemnation shall be governed by the provisions of Section 9.4 above.

ARTICLE 11 - RIGHTS OF CERTAIN PARTIES

11.1 Mortgagee Protection.

(a) The lien or claim against a Condominium Unit for unpaid Assessments levied by the Management Committee pursuant to the Act or this Declaration shall be subordinate to any Mortgage recorded on or before the date such Assessments become due, and shall not be affected by any sale or transfer of such Condominium Unit, except that a sale or transfer pursuant to a foreclosure of the Mortgage affecting such Condominium Unit or the exercise of a power of sale available thereunder shall extinguish a subordinate lien for such Assessments which became payable prior to such sale or transfer. Nevertheless, any such unpaid Assessments which are extinguished in accordance with the immediately preceding sentence may be reallocated and assessed to all Condominium Units as Common Expenses, including the Condominium Unit that is the subject of such sale or transfer. Any such sale or transfer pursuant to a foreclosure or power of sale shall not relieve the purchaser or transferee of such Condominium Unit from liability for, nor such Condominium Unit from the lien of, any Assessments or charges becoming due thereafter or reallocated pursuant to the immediately preceding sentence.

(b) On written request to the Management Committee by any Mortgagee (which request identifies the name and address of such Mortgagee and the Unit number or address of the Unit encumbered by the Mortgage concerned), such Mortgagee shall thereafter be deemed to be an Eligible Mortgagee and shall be included on the appropriate lists maintained by the Management Committee, and shall be entitled to timely written notice of any of the following:

(i) Any Condemnation or casualty loss that affects a material portion of the Property or any Unit on which there is a Mortgage held by such Eligible Mortgagee;

(ii) Any delinquency in the payment of Assessments owed by an Owner of a Unit subject to a Mortgage held by such Eligible Mortgagee, which delinquency remains uncured for a period of 60 days;

(iii) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Management Committee; and

(iv) Any proposed action under Section 9.3 that would require the consent of a specified percentage of Eligible Mortgagees as set forth in such Section.

(v) Notwithstanding anything to the contrary in this Declaration, the consent of Eligible Mortgagees holding Mortgages on Units which have appurtenant at least 51% of the Undivided Interests which are then subject to Mortgages held by Eligible Mortgagees shall be required to amend any material

provision of this Declaration or the Plat that provides for any of the following: (a) voting; (b) Assessments, assessment liens or subordination of assessment liens; (c) reserves for maintenance, repair and replacement of the Common Areas; (d) insurance; (e) responsibility for maintenance and repair of the Property; (f) the allocation of Undivided Interests; (g) imposition of any restrictions on the right of an Owner to sell, transfer or otherwise convey a Unit; and (h) express protections or rights of Mortgagees or Eligible Mortgagees. An addition or amendment shall not be considered material for purposes of this Section if it is for the purpose of correcting technical errors or for clarification only. Any Eligible Mortgagee to whom a written request to approve an addition or amendment to this Declaration or the Plat (or to approve a decision of the Owners or the Management Committee with respect to the nature of Restoration or a decision not to undertake Restoration pursuant to Article 9) is mailed in the United States mail, postage prepaid, certified and return receipt requested, to the address for such Eligible Mortgagee shown on the list maintained by the Management Committee who has not delivered to the Management Committee a negative response within thirty (30) days from the date of such mailing shall be deemed to have approved such request.

11.2 Declarant's Rights.

(a) All of the rights of Declarant under this Declaration may be assigned or transferred either by operation of law or through a voluntary conveyance, transfer or assignment. All references in this Declaration to Declarant shall include any successor to Declarant, either by operation of law or through specific assignments of rights under the Declaration.

(b) Anything in this Declaration to the contrary notwithstanding, during the Declarant Control Period:

(i) Declarant reserves the unilateral right to amend all or any part of this Declaration to such extent and with such language as may be requested by any federally chartered lending institution as a condition precedent to lending funds upon the security of any Condominium Unit or any portions thereof. Recordation of such an amendment shall be deemed conclusive proof of the institution's request for such an amendment, and such amendment, when recorded, shall be binding upon all of the Property and all persons having an interest therein.

(ii) This Declaration may be amended or terminated only with the written approval of the Declarant. The Declarant may unilaterally amend or terminate this Declaration prior to the closing of the sale of any Unit(s) by the Declarant.

(iii) Unless a Unit is occupied or used as a Rental Unit by Declarant, any Unit owned by the Declarant is exempt from the assessments set forth herein.

11.3 Initial Development and Construction.

(a) As used in this Section, the following terms shall have the meanings given

them below:

“Contractor” shall mean any contractor licensed in the State of Utah that furnished labor, materials, or equipment for the Initial Construction pursuant to a contract with the Declarant.

“Design Professional” shall mean any architect, engineer, or surveyor licensed in the State of Utah that performed professional services for the Initial Construction pursuant to a contract with the Declarant.

“Initial Construction” shall mean the design and construction of the Improvements, including all services, labor, materials, and equipment furnished for the improvement thereof, that achieved Substantial Completion within six (6) years of date of the recording of this Declaration.

“Substantial Completion” shall mean the stage in the progress of the Initial Construction when the Initial Construction or designated portion thereof is sufficiently complete so that it can be put to its intended use.

(b) In all claims and causes of action by the Association, whether in contract, tort, or otherwise arising out of or related to the Initial Construction, against Declarant, a Design Professional, a Contractor, any consultants of a Design Professional, or any subcontractors of a Contractor, the Association shall attach as an exhibit to its first Complaint filed with a court of competent jurisdiction an affidavit of a third-party licensed in the State of Utah in the same profession, area of practice, or construction trade as each defendant and who is competent to testify. Each affidavit shall set forth specifically a professional opinion as to each act, error, or omission alleged in the Complaint against the respective defendant that caused the Association’s alleged damages and the factual basis for each such opinion. The Association’s failure to file the affidavit in accordance with this Section 12.9 shall result in dismissal with prejudice of any claim described in this Section 12.9 against the particular defendant for which such affidavit is required and an award of reasonable attorney fees and expenses incurred by the particular defendant, its insurer, or any other person or entity on behalf of that defendant in defending against the allegations of the Complaint.

(c) The Association shall commence all claims and causes of action, whether in contract, tort, or otherwise arising out of or related to the Initial Construction, against Declarant, a Design Professional, a Contractor, any design consultants of a Design Professional, or any subcontractors of a Contractor not more than four (4) years after the respective date of Substantial Completion of each portion of the Initial Construction for which the claim or cause of action is made. The Association waives all claims and causes of action not commenced in accordance with this section.

(d) As an express condition precedent to the Association bringing any claim or cause of action, whether in contract, tort, or otherwise arising out of or related to the Initial Construction, against Declarant, a Design Professional, Contractor, any consultants of a Design Professional, or any subcontractors of a Contractor, the Association shall give written notice by United States Postal Service certified mail, return receipt requested, of an alleged defect in the Initial Construction to Declarant, all Design Professionals, and all

Contractors within thirty (30) days of first discovering the alleged defect, and Declarant and each Design Professional and Contractor shall then have ninety (90) days from the mailing date of the last written notice to any of them to cure such alleged defect. The Association's failure to provide notice shall result in dismissal with prejudice of any claim and an award of reasonable attorney fees and expenses incurred by any defendant, its insurer, or any other person or entity on behalf of that defendant in defending against the alleged defect.

(e) To the extent damages are covered by insurance, the Association waives all rights against Declarant, any Design Professional, Contractor, any consultants of a Design Professional, and any subcontractors of a Contractor for damages, except such rights as the Association may have to the proceeds of such insurance.

(f) The Association waives any claim or cause of action for consequential damages arising out of or relating to the Initial Construction, against Declarant, any Design Professional, Contractor, any consultants of a Design Professional, and any subcontractors of a Contractor.

(g) A vote in favor of at least 75% of the voting members of the Association is an express condition precedent to the Association bringing any claim or cause of action, whether in contract, tort, or otherwise arising out of or related to the Initial Construction, against Declarant, any Design Professional, Contractor, any consultants of a Design Professional, or any subcontractors of a Contractor.

ARTICLE 12 - ENFORCEMENT

12.1 **Certain Actions.** Without limiting the rights of any Owner, actions may be brought by the Management Committee, in its discretion, on behalf of two or more of the Owners, as their respective interests may appear, with respect to any cause of action relating to the Common Areas or any portion thereof or more than one Unit.

12.2 **Payment of Costs and Expenses.** If there is a dispute concerning any Governing Document or if the Management Committee or any Owner seeks to enforce its rights under a Governing Document against the Association, the Management Committee or any Owner, then the non-prevailing party shall pay all costs and expenses, including reasonable attorneys' fees, that the prevailing party reasonably incurs in connection with the dispute or enforcement or in pursuing any remedy provided hereunder or by relevant statutes or other laws, whether such costs and expenses are incurred with or without suit; before or after judgment; in any appeal; in any proceedings under any present or future federal bankruptcy act or state receivership act; or in connection with any mediation, arbitration or other alternative dispute resolution proceeding initiated by the parties.

12.3 **Right to Cure.** If any Owner fails to perform any obligation under this Declaration, then the Management Committee may proceed to cure the default after 30 days written notice and failure of the Owner to commence, and thereafter diligently to prosecute, such cure, and the Management Committee shall be entitled to a reimbursement of all costs incurred in effecting such cure together with interest at the rate of 18% per annum from the date such costs were paid, plus collection costs. Furthermore, the Management Committee shall have a lien on the Unit of the defaulting Owner for all such amounts in the same manner as if it were a lien for nonpayment of Assessments.

12.4 **Fines.** The Management Committee may assess a Fine against an Owner for a violation of this Declaration or the Rules and Regulations, in accordance with procedures set forth in the Rules and Regulations.

12.5 **Maintenance Intervention by Association.**

(a) The Association may request that a utility provider supplying electricity or gas to the Property provide notice to the Association at least 10 days before the day on which such utility provider discontinues service to any Unit, by sending to the utility provider a written request including the address of each Unit in the Property, the name, mailing address, email address, and phone number of the Association, and the address to which the requested notice should be sent.

(b) If the Association receives notice that service will be discontinued to a Unit, the Association may (but shall not be obligated to) provide notice to the Unit Owner and then pay the delinquent utility charges if doing so would reasonably protect the Common Areas and the other Units from possible damage due to freezing water pipes or other causes. If the Association pays such delinquent charges, the amount of such payment shall be a Default Assessment against the Unit involved.

(c) If the Association decides not to pay the delinquent charges, the Association shall have the right to enter into the Unit for the purpose of “winterizing” the Unit for the purpose of preventing possible damage to the Common Areas or the other Units. In such event, the actual, reasonable costs incurred by the Association in entering and winterizing the Unit shall constitute a Default Assessment against the Unit involved.

ARTICLE 13 - INTERPRETATION

13.1 **Priority Over Act.** In the event of any conflict between the provisions of this Declaration and the provisions of the Act (or any successor or substitute provisions), the provisions of this Declaration shall control to the extent permitted by applicable law.

13.2 **Construction.** This Declaration shall inure to the benefit of, and be binding on, Declarant, the Management Committee, the Association, and each Owner and their respective heirs, personal representatives, successors and assigns. This Declaration shall be governed by, and construed and interpreted in accordance with, the laws of the State of Utah. Titles and headings of articles and sections of this Declaration are for convenience of reference only and shall not affect the construction of any provision of this Declaration. All pronouns shall be deemed to refer to the masculine, feminine or neuter, singular or plural, as the identity of the person to whom reference is made may require. Whenever possible, each provision of this Declaration shall be interpreted in such manner as to be valid under applicable law; but, if any provision of this Declaration shall be invalid or prohibited under applicable law, such provision shall be ineffective to the extent of such invalidity or prohibition without invalidating the remainder of such provision or the remaining provisions of this Declaration.

ARTICLE 14 - DISPUTE RESOLUTION

14.1 **Litigation Avoidance.** Declarant, the Association, and all persons bound by this Declaration agree that it is in the best interest of all concerned to encourage the amicable resolution of disputes involving the Property without the emotional and financial costs of litigation.

Accordingly, each person bound by this Declaration agrees that it shall not file any action in any court with respect to a Claim (as defined below) unless and until it has first submitted the Claim to the dispute resolution procedures set forth in this Article and engaged in a good faith effort to resolve the Claim. As used in this Article, “**Claim**” means any claim, grievance, or dispute arising out of or relating to (a) the interpretation, application, or enforcement of the Governing Documents, (b) the rights, obligations, and duties of any person bound by this Declaration; (c) the design or construction of the improvements on the Property; provided, however that none of the following shall be considered “**Claims**” or be subject to the provisions of this Article: (i) any suit by the Association to collect Assessments, to obtain a temporary restraining order or other emergency relief as a court may deem necessary in order to maintain the status quo and preserve the Association’s ability to enforce the Governing Documents; (ii) any suit between Owners which does not include Declarant or the Association as a party, if such suit asserts a claim which would constitute a cause of action independent of the Governing Documents; (iii) any suit in which any indispensable party is not bound by this Declaration; and (v) any suit as to which any applicable statute of limitations would expire within 180 days of giving the Notice required by Section 14.2(a), unless the party or parties against whom the Claim is made agree to toll the statute of limitations as to such Claim for such period as may be reasonably necessary to comply with this Article.

142 **Dispute Resolution Procedures.**

(a) **Notice.** The party asserting a Claim (the “**Claimant**”) against another party (the “**Respondent**”) shall give written notice (“**Notice**”) to each Respondent and to the Management Committee stating plainly and concisely: (i) the nature of the Claim, including the persons involved and the Respondent’s role in the Claim, (ii) the legal basis of the Claim (*i.e.*, the specific authority out of which the Claim arises), (iii) the Claimant’s proposed resolution or remedy, and (iv) the Claimant’s desire to meet with the Respondent to discuss in good faith possible resolutions of the Claim.

(b) **Negotiation.** The Claimant and the Respondent shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation.

(c) **Mediation.** If the parties cannot resolve the Claim within 30 days after the date of the Notice despite good faith negotiation, the Claimant shall have an additional 30 days to submit the Claim to mediation through an independent agency providing dispute resolution services in the Salt Lake City area. If the Claimant does not submit the Claim for mediation within such additional 30 days, the Claimant shall be deemed to have waived the Claim, and the Respondent shall be relieved of any and all liability to the Claimant (but not to third parties) on account of the Claim. If the parties fail to resolve the Claim within 30 days after submitting the Claim to mediation, or within such longer period determined to be reasonable by the mediator, the mediator shall issue a notice of termination of the mediation proceedings indicating that the parties are at an impasse and stating the date on which the mediation was terminated. The Claimant shall thereafter be entitled to file suit or to initiate administrative proceedings on the Claim, as appropriate. Each party shall bear its own costs of mediation, including attorneys’ fees, and each party shall share equally all fees charged by the mediator.

(d) **Settlement.** Any settlement of a Claim shall be documented in writing and

signed by the parties. If any party thereafter fails to comply with the terms of such settlement, then any other party may file suit or initiate administrative proceedings to enforce the settlement agreement without the need to comply with the procedures of this Article. In such event, the prevailing party shall be entitled to recover from the non-prevailing party all costs incurred in such enforcement, including but not limited to reasonable attorneys' fees and court costs.

ARTICLE 15 - GENERAL PROVISIONS

15.1 **Exhibits.** Each of the exhibits that is referred to herein and that is attached hereto is an integral part of this Agreement and is incorporated herein by reference.

15.2 **Notices.** The Management Committee shall maintain records setting forth the names and mailing addresses of each Owner, and it shall be the responsibility of each Owner (and not the Management Committee) to insure that such records are current as to its Unit. All notices, writings, information, documents or other communications that are required or permitted to be given hereunder: (a) shall be in writing; (b) shall be deemed to be given and received either (i) on the date of delivery, if personally delivered or if delivered by electronic means; (ii) on the third business day following mailing, if delivered by certified mail, return receipt requested; (iii) on the next business day, if marked for next business day delivery and delivered by guaranteed overnight express courier or delivery service, such as Federal Express, which provides for evidence of receipt at the office of the intended addressee; or (iv) in the case of refusal to accept delivery or inability to deliver the notice or other document, the earlier of the date of the attempted delivery or refusal to accept delivery, the date of the postmark on the return receipt, or the date of receipt of notice of refusal or notice of non-delivery by the sending person; and (c) shall be addressed to: (i) any Owner in accordance with the Management Committee's records; and (ii) the Association. All such notices from the Association may be delivered to each Owner by electronic means, including text message and/or electronic mail, unless such Owner delivers to the Association a written demand that the Association provide notice to such Owner by mail.

15.3 **Conflicts among Documents.** In case of conflict between this Declaration and the Articles of Incorporation or the Bylaws, this Declaration will control. In case of conflict between the Articles of Incorporation and the Bylaws, the Articles of Incorporation will control.

[Signature page follows]

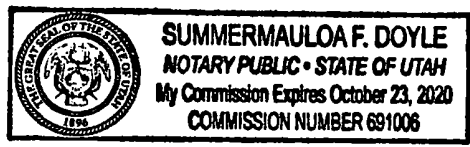
The foregoing Declaration of Condominium for The Lofts at Creekside Condominiums has been executed as of the date first set forth above.

SKYLINE HOLDINGS GROUP, LLC,
a Utah limited liability company

Dustin Kuttler
By: Name: Dustin Kuttler
Title: Manager

STATE OF UTAH)
 :SS
COUNTY OF UTAH)

The foregoing instrument was acknowledged before me this 16th day of May, 2020, by Dustin Kuttler, Manager of Skyline Holdings Group, LLC, a Utah limited liability company.



Summermauloa F. Doyle
Notary Public
Residing at: Leli, UT

My commission expires: 10-23-2020

EXHIBIT A
Legal Description

The following described property, situated in Salt Lake County, State of Utah:

PARCEL 1:

BEGINNING AT A POINT BEING SOUTH 00°06'08" WEST 478.71 FEET ALONG THE SECTION LINE AND EAST 346.69 FEET FROM THE WITNESS MONUMENT MARKING THE NORTHWEST CORNER OF SECTION 6, TOWNSHIP 4 SOUTH, RANGE 1 EAST, SALT LAKE BASE AND MERIDIAN (SAID WITNESS MONUMENT ON RECORD BEING NORTH 89°59'24" EAST 144.94 FEET FROM THE SAID NORTHWEST CORNER OF SECTION 6); AND RUNNING THENCE NORTH 82°22'40" EAST 45.73 FEET; THENCE NORTH 46°26'18" EAST 20.79 FEET; THENCE SOUTH 88°51'54" EAST 54.36 FEET; THENCE NORTH 76°28'07" EAST 38.66 FEET; THENCE NORTH 22°41'57" EAST 10.34 FEET; THENCE NORTH 80°05'08" EAST 68.15 FEET; THENCE SOUTH 49°19'04" EAST 69.42 FEET; THENCE SOUTH 62°15'06" EAST 77.40 FEET; THENCE SOUTH 77°15'44" EAST 27.86 FEET; THENCE SOUTH 00°06'15" EAST 146.14 FEET TO THE NORTHERLY BOUNDARY LINE OF BELLA MONTE AT DRAPER MEADOWS CONDOMINIUM, SAID POINT ALSO BEING ON AN EXISTING FENCE LINE; THENCE NORTH 89°51'55" WEST 484.36 FEET ALONG THE NORTHERLY BOUNDARY LINE OF SAID BELLA MONTE AT DRAPER MEADOWS CONDOMINIUM AND SAID EXISTING FENCE LINE TO THE EASTERLY RIGHT-OF-WAY LINE OF MINUTEMAN DRIVE; THENCE NORTHWESTERLY 28.66 FEET ALONG THE ARC OF A 66.75 FOOT RADIUS CURVE TO THE LEFT (CENTER BEARS NORTH 87°42'41" WEST AND THE CHORD BEARS NORTH 10°00'50" WEST 28.45 FEET WITH A CENTRAL ANGLE OF 24°36'17") ALONG THE EASTERLY RIGHT-OF-WAY LINE OF MINUTEMAN DRIVE; THENCE SOUTH 89°51'55" EAST 208.38 FEET; THENCE NORTH 00°16'38" WEST 145.82 FEET; THENCE SOUTH 46°49'00" WEST 15.09 FEET; THENCE SOUTH 77°22'00" WEST 63.33 FEET; THENCE NORTH 68°40'59" WEST 18.77 FEET; THENCE NORTH 00°16'38" WEST 26.81 FEET TO THE POINT OF BEGINNING.

PARCEL 2:

A RIGHT OF WAY AS DISCLOSED IN WARRANTY DEED RECORDED MAY 1, 1973 AS ENTRY NO. 2536258 IN BOOK 3314 AT PAGE 394 OF OFFICIAL RECORDS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON AN EXISTING STATE RIGHT OF WAY FENCE, SAID POINT BEING SOUTH 0°16'38" EAST 641.00 FEET AND EAST 177.60 FEET FROM THE NORTHWEST CORNER OF SECTION 6, TOWNSHIP 4 SOUTH, RANGE 1 EAST, SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE EAST 684.00 FEET; THENCE SOUTH 24.00 FEET; THENCE WEST 684.00 FEET; THENCE NORTH 24.00 FEET TO THE POINT OF BEGINNING.

(For Reference: Tax Parcel ID No. 34-06-104-054)

EXHIBIT B
Units, Par Value, and Ownership
Percentages

<i>Unit Designation</i>	<i>Assigned Par Value</i>	<i>Percentage of Undivided Interests, Voting Rights, and Common Expenses</i>
101	100	5.715%
102	100	5.715%
103	100	5.715%
104	100	5.715%
105	100	5.715%
106	100	5.715%
107	100	5.715%
108	100	5.715%
109	100	5.715%
110	100	5.715%
111	100	5.715%
112	100	5.715%
113	75	4.28%
114	100	5.715%
115	100	5.715%
116	75	4.28%
117	100	5.715%
118	100	5.715%
Totals	1750	100%

EXHIBIT C
Bylaws