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REVISED, RESTATED AND REPLACED DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTIONS
and
BYLAWS
for
MILLCREEK MEADOWS

THIS REVISED, RESTATED AND REPLACED DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS and BYLAWS for MILLCREEK MEADOWS are made and executed this 28 day of January, 2025, by the MILLCREEK MEADOWS OWNERS ASSOCIATION, INC, a Utah non-profit corporation, whose principal office is located at 463 West 4800 South, Murray, Utah 84123 (the "Association").

RECITALS

A. The Declaration of Covenants, Conditions, and Restrictions of Millcreek Meadows was recorded the 8th day of March, 1994 as Entry No. 5758790, in Book 6888 at Page 2449 of the Official Records of the Salt Lake County Recorder, and the First Amendment to Declaration was recorded on the 26th day of May, 1999, as Entry No. 7365133 in Book 8280 at Page 5032.

B. The Bylaws of the Association were previously executed and are maintained in the files of the Secretary/Treasurer.

C. Management and control of the Project has since been transferred by the original declarant or its successors in interest to the Association.

D. This document affects the real property located in Salt Lake County, Utah, described with particularity on Exhibit A, attached hereto and incorporated herein by this reference.

E. The voting requirements of Article III, Section 23 of the Declaration have been satisfied.

F. The voting requirements of Article V, Section 1 of the Bylaws of MILLCREEK MEADOWS CONDOMINIUMS have been satisfied.

NOW, THEREFORE, for the reasons recited above, and for the benefit of the Association and its Unit Owners, the Association hereby executes this REVISED, RESTATED AND

REPLACED DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS and
BYLAWS for MILLCREEK MEADOWS for and in behalf of all the Unit Owners.

1. The Declaration of Covenants, Conditions and Restrictions for Millcreek Meadows are hereby revised, restated and replaced effective as of the date of this recording. The Amended Declaration of Covenants, Conditions and Restrictions for Millcreek Meadows is attached hereto as Exhibit B.

2. The Bylaws are hereby revised, restated and replaced in their entirety effective as of the date of this recording, a copy of which is to be maintained in the files of the Association Secretary/Treasurer.

3. The effective date of this REVISED, RESTATED AND REPLACED DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS and BYLAWS for MILLCREEK MEADOWS is the date it is recorded in the office of the Salt Lake County Recorder.

IN WITNESS WHEREOF, Declarant has executed this instrument the day and year first above written.

MILLCREEK MEADOWS OWNERS
ASSOCIATION, INC

By: Bob Burdette
Title: Bob Burdette, President

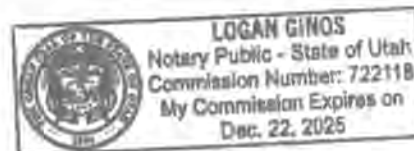
By: Brian Barnett
Title: Brian Barnett, Secretary/Treasurer

STATE OF UTAH)
 ss:
COUNTY OF SALT LAKE)

On the 27 day of January, 2025, personally appeared before me Bob Burdette, who by me being duly sworn, did say that he is the President of the HOMEOWNERS ASSOCIATION, and that the within and foregoing instrument was signed in behalf of said Association by authority of a resolution of its Board of Directors, and said Bob Burdette duly acknowledged to me that said Association executed the same.

WITNESS my hand and official seal.

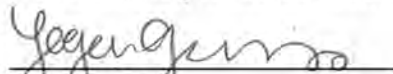
Logan Ginos
Notary Public



STATE OF UTAH)
 ss:
COUNTY OF SALT LAKE)

On the 18 day of January, 2025, personally appeared before me Brian Barnett, who by me being duly sworn, did say that he is the Secretary/Treasurer of the HOMEOWNERS ASSOCIATION, and that the within and foregoing instrument was signed in behalf of said Association by authority of a resolution of its Board of Directors, and said Brian Barnett duly acknowledged to me that said Association executed the same.

WITNESS my hand and official seal.



Notary Public

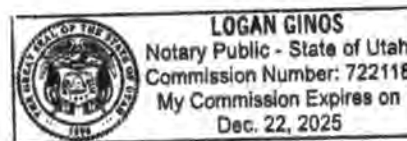


Exhibit A

Real Property Description of Millcreek Meadows Condominiums

Beginning at a point West 792.00 feet and South 00 11'03" West 331.32 feet and North 89 58'09" West 33.00 feet from the Center of Section 32, Township 1 South, Range 1 East, Salt Lake Base and Meridian, said point also being North 00 11'03" East from a county monument located in the intersection of 3900 South and 900 East and running thence South 00 11'02" West 76.59 feet; thence North 89 58'00" West 764.99 feet; thence North 00 11'22" East 153.12 feet; thence South 89 58'18" East 764.98 feet; thence South 00 11'02" West 76.60 feet to the point of beginning.

Contains 2.69 acres.

Exhibit B

**AMENDED AND RESTATED
DECLARATION
OF
COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR
MILLCREEK MEADOWS**

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This DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR MILLCREEK MEADOWS ("Declaration") is adopted by Millcreek Meadows Owners Association, Inc., the HOA Management Committee, and the Owners of the property described in Exhibit A, and is effective when recorded with the Salt Lake County Recorder's Office by Millcreek Meadows Owners Association, Inc., ("Declarant"), a Utah non-profit corporation, pursuant to the Utah Condominium Ownership Act.

RECITALS

- A. Declarant is the Home Owners Association of certain real property in Salt Lake County, which is more particularly described on "Exhibit A" attached hereto, made a part hereof, and is herein referred to as the "Property." By executing and recording this Declaration, the Declarant hereby submits the Property as a condominium Property consisting of residential Units and related Common Area pursuant to Utah Code § 57-8-1 *et seq.* and declares that the Property described in Exhibit A, and any additional property made subject to this Declaration in the future by amendment *or* supplement, is subject to the terms, covenants, conditions and restrictions set forth in this Declaration and such Property shall constitute the community referred to as "Millcreek Meadows."
- B. This Declaration, and any amendment or supplement thereto, shall run with the title to the Property, shall govern the use of such Property, and shall be binding upon current and future Owners of any portion of the Property and their respective heirs, successors, and assigns, and any other person or entity that now or hereafter has any legal, equitable, or beneficial interest in any portion of the Property. By taking title to any of the Property, all Owners join in and accept the intent, purposes, and objectives of this Declaration and agree to be bound by it.
- C. Pursuant to Millcreek Meadows ending its Section 42 housing contract with the Utah Housing Finance Corporation at the end of 2024, and in anticipation of transfers of title, the Declarant hereby executes and records this new Declaration.
- D. Declarant has created the Millcreek Meadows Owners Association, which entity shall possess the power to maintain and administer the Common Areas, collect and disburse assessments and charges hereinafter provided for, and administer and enforce the provisions of this Declaration. It is intended that this Declaration shall serve as a binding contract between the Association and each Owner; however, nothing herein, is intended to create a contractual relationship between Declarant and the Association or Declarant and any Owner, or to inure to the benefit of any third-party. Additionally, it is not intended that this Declaration be read in conjunction with any deed or real estate purchase contract to create privity of contract between Declarant and the Association.
- E. Declarant intends that the Owners, Occupants, Mortgagees, and all other persons hereafter acquiring any interest in the Property shall at all times enjoy the benefits of, and shall hold their interest subject to this Declaration, which is recorded in furtherance of establishing rules for the use, occupancy, management, and enjoyment thereof.

F. Declarant reserves the right to amend and supplement this Declaration from time to time, in the discretion of Declarant.

G. The Bylaws of Millcreek Meadows Owners Association are attached hereto as "Exhibit B" and are incorporated herein by reference.

DECLARATION

The foregoing Recitals set forth above are by this reference incorporated into this Agreement.

Declarant does hereby declare that all real property within the Property, as defined and described herein, shall be owned, held, sold, conveyed, encumbered, transferred, leased, subleased, used and occupied subject to the covenants, conditions, restrictions, and easements set forth herein, all of which shall run with the Property and all portions thereof and shall be binding upon all parties having or acquiring any right, title, or interest in and to all or any portion of the Property, and the respective heirs, successors, and assigns of such parties.

ARTICLE I. DEFINITIONS

The following terms shall have the meaning indicated. Any term defined by the act shall, when permitted by the context hereof, have the meaning ascribed in the Act. The capitalized terms used in this Declaration shall have the meanings set forth in this Article. Unless the context clearly requires otherwise, the masculine, feminine and neuter genders and the singular and the plural shall be deemed to include one another, as appropriate.

1.1 "Act" shall mean the Utah Condominium Ownership Act, beginning at §57-8-1, Utah Code Annotated, as the same may be amended from time to time.

1.2 "Allocated Interest" shall mean and refer to the undivided ownership interest of each Unit (which may be expressed as a percentage or fraction) in the Common Areas, the Common Expense liability, and votes in the Association allocated to each Unit.

1.3 "Articles" shall mean the Articles of Incorporation for the Association, as may be amended and restated from time to time.

1.4 "Assessments" shall mean any charge imposed or levied by the Association against Units including but not limited to Annual Assessments, Special Assessments, Individual Assessments, and all corresponding late fees, fines, and interest, as provided in this Declaration.

1.5 "Association" shall refer to the Millcreek Meadows Owners Association, the membership of which shall include each Owner of a Unit in the Property, as required by the Act. The Association is incorporated as a Utah nonprofit corporation, which if invalidated for any reason, may be reincorporated at the discretion of the Management Committee and may utilize such name that the Management Committee shall select in any such reincorporation or reorganization. In case of the formation of any such entity, "Association" as used in this Declaration shall refer to that entity.

1.6 “Bylaws” shall mean the Bylaws adopted by the Association pursuant to §57-8-15 of the Act for the purpose of regulating the affairs of the Association, and the same may be amended from time to time.

1.7 “Common Area” shall mean, refer to, and include the real and personal property for the common use and enjoyment of the Owners not dedicated to a municipality and shall include but not be limited to:

- (a) all foundations, roofs, columns, girders, beams, supports, corridors, hallways, , stairs, stairways, yards, any entrances and exits which are designed for the use of more than one Unit, exterior walls and surfaces (excluding windows and window frames and doors and door frames), gutters, downspouts, soffit, and fascia of the buildings on the Property;
- (b) All limited common areas and facilities which are reserved for the use and benefit of designated Units to the exclusion of other Owners including but not limited to facilities appurtenant to the Units including porches, balconies, storage spaces, carports, and driveways. The right to the exclusive use of the limited common area shall be appurtenant to each respective Unit and may not be severed from the ownership of the Unit. All installations or modifications of limited common areas shall be approved by the Association and shall be subject to the provisions in this Declaration. The Management Committee shall have the power and discretion to determine the limited common area boundaries if the Governing Documents are found ambiguous.
- (c) outdoor grounds and landscape, outdoor lighting, fences, sidewalks, parking spaces, streets, and other installations or facilities existing for common use, but not including a Unit’s backyard;
- (d) all installations of utility services on the Property such as power, light, gas, water, and sewer including all pipes, wires, conduits or other utility lines that serve more than one Unit, including such facilities that may be located within buildings or Units;
- (e) any mechanical, plumbing, or other equipment, apparatus, and installations serving more than one Unit and existing for common use; and
- (f) everything included on the Property, excluding the individual Units; all other parts of the Property necessary or convenient to its existence, maintenance, and safety, or normally in common use.

1.8 “Common Expenses” shall mean:

- (a) all sums lawfully assessed against Units;
- (b) expenses of administration, maintenance, management, operation, repair, and replacement of the Common Areas maintained by the Association;

- (c) expenses allocated by the Association among the Owners;
- (d) expenses agreed upon as Common Expenses by the Association or its Owners;
- (e) management and administration of the Association, including but not limited to compensation paid by the Association to managers, accountants, attorneys, consultants, and employees;
- (f) extermination, security, gardening, common utilities, and other related services; insurance and bonds required or allowed by this Declaration;
- (g) the establishment of reserves;
- (h) expenses declared Common Expenses by the Declaration; and
- (i) other miscellaneous charges incurred by the Association or the Management Committee pursuant to the Act, this Declaration, the Bylaws, or the Rules.

1.9 “Declarant” shall mean and refer to Millcreek Meadows Owners Association, a Utah non-profit corporation, and any successor or assign in interest. The Declarant may assign all or part of its rights hereunder.

1.10 “Declaration” shall mean and refer to this Declaration of Covenants, Conditions, and Restrictions for Millcreek Meadows, including all attached exhibits which are incorporated by reference and shall include any and all amendments and supplements thereto.

1.11 “Governing Documents” shall mean collectively, the Declaration, Articles of Incorporation, Bylaws, and any Rules adopted by the Management Committee.

1.12 “Insurance Trustee” shall mean any trustee with which the Association may enter into an Insurance Trust Agreement, and which shall have exclusive authority to negotiate losses under the Association’s policies of insurance in accordance with such agreement.

1.13 “Landscaping” shall mean and refer to the grass, trees, shrubs, bushes, flowers, plants and like improvements located within the Property, as well as any appurtenant sprinkling and irrigation systems.

1.14 “Lender” shall mean a holder of a mortgage or deed of trust on a Unit.

1.15 “Management Committee” or “Committee” shall mean the governing Committee with primary authority to operate and manage the affairs of the Property. The Management Committee of the Association is elected pursuant to the Bylaws and serves as the management body of the Association.

1.16 “Manager” shall mean a person, persons, or entity, if any, selected by the Management Committee to manage the affairs of the Property.

1.17 “Member” shall mean a duly qualified and elected or appointed member of the Management Committee of the Association.

1.18 “Notice” shall mean any written communication required or permitted to be delivered under these Governing Documents, which shall be deemed effective if provided in accordance with Section 17.9 by one or more of the following methods:

- (a) **Personal Delivery:** Notice is delivered in person to the intended recipient.
- (b) **Mail:** Notice is sent by first-class mail, postage prepaid, to the last known address of the recipient as recorded in the Association’s official records. Notice sent by mail shall be deemed effective three (3) days after deposit in the U.S. mail.
- (c) **Electronic Communication:** Notice is sent via email, text message, or other electronic means, provided that the recipient has consented in writing to receive electronic communications and has provided the Association with a valid electronic address. Notice sent electronically shall be deemed effective upon successful transmission, unless the sender is notified of delivery failure.
- (d) **Posting:** For Notices required to be given to all Owners collectively, the Association may post the Notice in a conspicuous location within the Common Area, such as a bulletin board or community website, as an additional or alternative method of delivery.

It is the responsibility of each Owner to ensure their contact information, including mailing address and electronic address, is up-to-date with the Association. Failure to update contact information does not invalidate the effectiveness of a properly sent Notice.

1.19 “Occupant” shall mean any Person, including an Owner, living, dwelling, visiting, or staying in a Unit. This includes, but is not limited to an Owner’s lessees, tenants, family members, guests, agents, invitees, and representatives.

1.20 “Owner” or “Unit Owner” shall mean the Person or Persons who are vested with record title of a Unit, and whose interest in the Unit is held in fee simple, according to the records of the Salt Lake County Recorder; however, Owner shall not include a Person who holds an interest in a Unit merely as security for the performance of an obligation. If a Unit is subject to an executory purchase contract, the contract purchaser shall be considered the Owner unless the seller and buyer agree otherwise and inform the Management Committee in writing of such alternative arrangement.

1.21 “Party Wall” shall mean a wall, including without limitation a foundation wall, that forms part of a Unit and is located on or adjacent to a boundary line between two or more

adjoining Lots or Units that are owned by more than one (1) Owner and is used or is intended to be used by the Owners of the benefitted Units as a structural partition wall. A Party Wall may be separated by a sound board between two or more Living Units.

1.22 “Person” shall mean a natural individual, corporation, business entity, estate, partnership, trustee, association, joint venture, government, governmental subdivision or agency or other legal entity capable of holding title to real property.

1.23 “Restrictions” shall mean the covenants, conditions, assessments, easements, liens, and restrictions set forth in this Declaration.

1.24 “Rules” shall mean and refer to the rules, resolutions, and/or regulations and policies adopted by the Management Committee.

1.25 “Supplemental Declaration” shall mean a written instrument recorded in the records of the Salt Lake County Recorder, which refers to this Declaration and which amends, modifies, or supplements this Declaration in accordance with its terms.

1.26 “Unit” shall mean and refer to a separate physical part of the Property intended for independent use, consisting of rooms or spaces located in a building. Units are bounded by the interior surfaces of the structural members of the walls, floors, and ceilings along the perimeter boundaries of the Units. A Unit includes all wallboard, surfaces of interior structural walls, floors, ceilings, interior doors, and trim, consisting of *inter alia*, and as appropriate, drywall, wallpaper, paint, flooring, carpeting, and tile. Mechanical equipment, ducts, pipes, and appurtenances located within or outside Unit boundaries, but designated and designed to serve only the Unit, such as appliances, electrical receptacles and outlets, air conditioning compressors and other air conditioning apparatus, doorstep, exterior door, exterior window and any other fixtures, shall be considered part of the Unit. All pipes, wires, conduits, or other public utility lines or installations serving only the Unit, or any other property of any kind, including fixtures and appliances within any Unit, which are removable without jeopardizing the soundness, safety, or usefulness of the remainder of the building within which the Unit is situated shall be considered part of the Unit. All pipes, wires, conduits and utility lines serving more than one Unit are Common Area, regardless of whether such facilities are located within the boundaries of a Unit. Except where the context specifically requires otherwise, reference to a Unit shall include reference to the Allocated Interest in the Common Area appurtenant to such Unit.

ARTICLE II. DESCRIPTION OF PROPERTY

2.1 Submission.

The Declarant hereby submits the real property described with particularity on Exhibit A to the Act. The Declarant hereby declares that the Property and all of the Units shall be held, conveyed, transferred, sold, mortgaged, encumbered, occupied, used, and improved subject to the Restrictions, which Restrictions shall constitute covenants and conditions running with the land and shall be binding upon and inure to the benefit of the Association, and each Owner, including their respective heirs, executors, administrators, personal representatives, successors,

and assigns. By acquiring any interest in a Unit, such Owner consents to and agrees to be bound by each and every Restriction in the Governing Documents.

2.2 Name and Location.

The Property is known as Millcreek Meadows. The Property is located in Salt Lake County. The legal description of the real property included in the Property is set forth in Exhibit A.

2.3 Interpretation of Declaration and Applicability of the Act.

The Declarant intends that the Property shall be governed by the Act, except where the Association has included specific provisions in this Declaration that legally vary, supersede, or supplement the Act, in which event such specific provisions of this Declaration that are contrary to the Act shall govern the Property to the extent allowed by the Act.

2.4 Registered Agent.

The Registered Agent, as listed with the Utah State Department of Commerce, Division of Corporations and Commercial Code, shall be the person to receive service of process for the Association pursuant to §57-8-10(2)(d)(iii) of the Act, unless such time as the Management Committee duly appoints a new agent. The Management Committee may change the Registered Agent at any time and without the need for Owner consent.

ARTICLE III. ALLOCATED INTEREST

3.1 Legal Status of Units.

All Units are residential Units. All Units shall be capable of being independently owned, encumbered, and conveyed and consist of a Unit and an appurtenant undivided interest in and to the Common Area.

3.2 Allocated Interests in the Common Area.

- (a) The Allocated Interests shall be apportioned among the Units as set forth in this Section. Each Unit shall have an equal Allocated Interest. Any difference in square footage, location, size, value, or other aspect of any Unit shall not be a reason to alter or change the Allocated Interests. The Allocated Interest of each Unit shall be calculated by dividing the number 1 by the total number of Units in the Property, which is currently 56.
- (b) The formula to calculate Allocated Interest shall have a permanent character and shall not be altered without the express consent of all Owners expressed in an amendment to this Declaration.

ARTICLE IV. ASSOCIATION

4.1 Organization of Association.

The Association shall serve as the governing body for all Owners. The Association shall make provisions for the maintenance, repair, replacement, administration, and operation of the Common Area and Common Expenses, and other matters as provided in the Act, this Declaration, and the Bylaws. The Association shall have all rights and powers granted to it under the Act and in this Declaration, the Articles, and the Bylaws. The Association shall not be deemed to be conducting a business of any kind, and all funds received by the Association shall be held and applied by it for the Owners in accordance with this Declaration, the Articles, and the Bylaws. Except as specifically authorized in this Declaration, the Articles, or the Bylaws, no Owner or group of Owners shall have authority to take any action on behalf of the Owners, the Association, or the Management Committee.

4.2 Legal Organization.

The Association is a nonprofit corporation. In the event the nonprofit corporate status expires or is invalidated in any manner, the Management Committee, in its sole discretion, may renew and/or reincorporate the Association. Any such expiration or invalidation shall not relieve any Owner from paying Assessments and abiding by all Restrictions contained in this Declaration.

4.3 General Powers and Obligations.

The Association shall have, exercise, and perform all of the following powers, duties, and obligations:

- (a) The powers, duties, and obligations granted to the Association by this Declaration, the Bylaws, and the Articles;
- (b) The powers and obligations of a nonprofit corporation pursuant to the general nonprofit corporation laws of the State of Utah;
- (c) The powers, duties, and obligations of a condominium association pursuant to the Act;
- (d) The powers, duties, and obligations not reserved specifically to the Owners; and
- (e) Any additional or different powers, duties, and obligations necessary or desirable for the purpose of carrying out the functions of the Association pursuant to the Governing Documents.

4.4 Specific Powers and Duties.

The powers and duties of the Association shall include, without limitation, the following:

- (a) **Maintenance and Services.** The Association shall provide maintenance and services for the Project as provided in Article VI and other provisions of this Declaration.
- (b) **Insurance.** The Association shall obtain and maintain in force policies of insurance as provided in this Declaration or the Bylaws of the Association. The Association shall have no obligation to obtain or maintain any insurance covering the personal and real property of any Owner(s), and each Owner shall be responsible for obtaining and maintaining such personal and real property insurance.
- (c) **Rulemaking.** The Association, through its Management Committee, shall make, establish, promulgate, amend, and repeal rules, policies and procedures governing the conduct of persons and the operation and use of the Project as it may deem necessary or appropriate in order to assure a clean, aesthetically pleasing, peaceful, and orderly use and enjoyment of the Project.
- (d) **Paying Expenses.** The Association shall provide for the payment of Common Expenses and any other obligations incurred by the Association.
- (e) **Assessments.** The Association shall adopt budgets and impose and collect Assessments as provided in Article VII of this Declaration.
- (f) **Enforcement.** The Association shall perform such acts, whether or not expressly authorized by this Declaration, as may be reasonably necessary to enforce the provisions of the Governing Documents of the Association. The Association may assess fines to Owners, Occupants, or their guests for violations of the Governing Documents in accordance with the provisions of the Governing Documents and the Act.
- (g) **Title to Common Areas.** The Association may hold title to Common Areas conveyed to it by the Declarant and pay all real property taxes and assessments levied upon any portion of the Common Areas, unless paid by the Owners, provided that the Association shall have the right to contest or compromise any such taxes or assessments.
- (h) **Employment of Agents, Advisers, and Contractors.** The Association may employ the services of any person or corporation as managers, hire employees to manage, conduct, and perform the business, obligations, and duties of the Association, employ professional counsel and obtain advice from such persons or firms or corporations such as, but not limited to, community association managers, landscape architects, accountants, recreational experts, architects, planners, lawyers, reserve study specialists, or what is convenient for the management, maintenance, and operation of the Property. The Management Committee has no authority to enter into a management agreement or contract inconsistent with the terms of the Governing Documents or that provides for a termination fee or requirement for termination for cause.
- (i) **Litigation.** The Management Committee may instigate litigation to enforce the provisions of this Declaration or any other common law or statutory right which the

Association is granted.

(j) **Bulk Service Agreements.** The Association shall have the right to enter agreements, as the Management Committee deems appropriate, for the provision of cable, television, internet, telephone, or other similar services for all of the Units or groups of Units. Such services shall be assessed to the Owners pursuant to the provisions of this Declaration and in any Assessment, may be broken out as a separate line item on invoices, statements, or notices of Assessment.

(k) **Loans.** Upon approval of Owners holding more than thirty percent (30%) of the Allocated Interests, the Association may borrow money and may provide such security as necessary for the loan, including but not limited to securitizing, pledging, or assigning the Association's right to assess Owners. Notwithstanding anything to the contrary, no Unit shall be security for any loan to the Association without that Owners' consent.

4.5 Management Committee.

The governing body of the Association shall be the Management Committee. Except where a matter or vote is specifically reserved to the Owners, the Committee shall act in all instances on behalf of the Association. Member of the Management Committees shall be elected pursuant to the provisions set forth in the Bylaws. The Management Committee shall consist of five members. Only Unit Owners or their agents shall be eligible to serve on the Management Committee. The Bylaws may set forth additional qualifications and requirements for serving on the Management Committee. Any reference to an act, right or obligation of the Association in the Governing Documents may only be exerted or complied with through an action of the Management Committee. Except as may be specifically provided in the Governing Documents or by applicable law, no Owner or group of Owners other than the Management Committee may direct the actions of the Association.

4.6 Right to Enter Units.

The Association acting through the Management Committee, or its duly authorized agent, shall have the right at all times upon reasonable notice of at least 24 hours, except for in an emergency, to enter upon or into any Unit, without trespass, to inspect, evaluate, assess, and appraise, to abate any infractions, to make repairs, or correct any violation of any of the Governing Documents, and in connection therewith shall have the further right to assess all costs incurred against the Owner, such assessment to be secured by a lien provided in Article VII. Notice shall not be necessary in case of an emergency originating in or threatening such Unit or any other part of the Property, including the sound or sight of running water in a Unit, the smell or sight of smoke or gas in a Unit, abnormal or excessive noises, and foul smell. Owners shall maintain up-to-date emergency contact information records with the Association, including any local representative an Owner may have. Owners shall be responsible for any costs incurred by the Association as a result of entering a Unit under this Section and shall indemnify and hold harmless the Association for all damages related to such entry.

4.7 Rules.

The Management Committee may adopt, amend, repeal, enforce, and administer reasonable rules, policies and procedures for the regulation and operation of the Property. The Rules may address any issues including those addressed in this Declaration and the Bylaws. The Rules may supplement, clarify, and add detail to issues otherwise addressed in this Declaration and the Bylaws so long as they do not contradict the same. The Management Committee's determination as to whether a particular activity being conducted or to be conducted violates or will violate the Rules shall be conclusive.

4.8 Enforcement.

In addition to any other remedies allowed or provided in this Declaration for any violation of the Declaration, Bylaws, or Rules, the Management Committee may adopt any one or more of the following: (1) impose and levy fines for violation of the Governing Documents; (2) terminate an Owner's right to receive utility services paid as a Common Expense; (3) terminate an Owner's right to access and use Common Area facilities; (4) terminate an Owner's voting rights as further provided herein; (5) instigate litigation to enforce the provisions of this Declaration or any other common law or statutory right which the Association is granted; and (6) take any other action or seek any other remedy allowed by the Act or other applicable Utah law.

4.9 Discretion in Enforcement.

The Association shall uniformly and consistently enforce and implement the Restrictions in the Governing Documents.

- (a) The Management Committee shall use its reasonable judgment to determine whether to exercise the Association's powers to impose sanctions or pursue legal action for a violation of the Governing Documents, and may include in this analysis: (1) whether to compromise a claim made by or against the Management Committee or the Association, and (2) whether to pursue a claim for an unpaid Assessment.
- (b) The Association may not be required to take enforcement action if the Management Committee determines, after fair review and acting in good faith and without conflict of interest, that under the particular circumstances: (1) the Association's legal position does not justify taking any or further enforcement action; (2) the covenant, restriction, or rule in the Governing Documents is likely to be construed as inconsistent with current law; (3) a technical violation has or may have occurred and the violation is not material as to a reasonable Person or does not justify expending the Association's resources; or (4) it is not in the Association's best interests to pursue an enforcement action, based upon hardship, expense, or other reasonable criteria.
- (c) If the Management Committee decides to forego enforcement, the Association is not prevented from later taking enforcement action. The Management Committee shall not be arbitrary, capricious, or act against public policy in taking or not taking enforcement action.

4.10 Hearing Process.

The Management Committee shall have the authority (but shall not be required) to create a reasonable hearing process applicable in case the Management Committee or Association takes adverse action related to any particular Owner or group of Owners. The Management Committee shall not be under any obligation to offer a hearing process, except as required by law or by this Declaration, and in any such process, shall have the absolute authority to designate the procedure related to any such hearing and to make any and all final determinations of issues subject to the hearing process. The Management Committee may establish the hearing process on an as-needed basis for particular matters as they arise or may set forth a process in the Rules applicable generally to such matters that it designates. Any such hearing process shall provide, at a minimum for: (1) at least one week notice of the hearing to the Owners, and (2) a reasonable time period for the Owner(s) to present their own testimony, the testimony of others, argument, authority, evidence, and other information the Owner deems relevant to the disputed issue. The Management Committee may rely on any reasonable information and evidence in determining whether or not a violation of the Governing Documents has occurred, which may be obtained before, during, and after a hearing.

4.11 Reserve Fund.

The Association shall maintain an adequate reserve fund for the maintenance, repair and replacement of the Common Area, as determined by the Management Committee. Reserve funds may be collected as part of the Annual Assessments. The Association shall obtain and update a Reserve Analysis as required by the Act. To the extent the Management Committee deems necessary, surplus monies of the Association may be retained as additional reserves rather than refunded to the Owners or credited to future Assessments. The Management Committee shall not be personally liable for failure to fund the reserve unless willful or intentional misconduct is proven in a court of law.

4.12 Availability of Governing Documents.

The Association shall maintain current copies of the Governing Documents and the Association's books, records, meeting minutes, and financial statements (as required by law) available for inspection, upon written request by any Owner or Lender. The term "available" as used in this Section shall mean available for inspection within a reasonable time after delivery of a written request to a Member of the Management Committee and at a location convenient to the Management Committee within the Property or at such other location as may be agreed by the Management Committee and the party requesting. The Association may make the Governing Documents and other Association records available via a website, and if so provided, then the Association shall have met its obligations set forth in this Section for providing any such documents posted thereon.

4.13 Managing Agent.

The Management Committee may contract with a professional Manager to assist the Management Committee in the management and operation of the Property and may delegate

such of its powers and duties to the Manager as it deems appropriate; reserving the right, however, to control and oversee the administration thereof. Any powers and duties delegated to any Manager may be revoked by the Management Committee at any time, with or without cause. The Management Committee has no authority to enter any management agreement or contract inconsistent with the terms of the Governing Documents.

4.14 Management Committee Indemnification.

Each past and present Member of the Management Committee (including the Declarant and its appointees) shall be entitled to defense and indemnification to the fullest extent permitted by the Utah Revised Nonprofit Corporation Act. The right of any Person to be indemnified shall be subject always to the right of the Association by the Management Committee, in lieu of such indemnity, to settle any claim, action, suit, or proceeding at the expense of the Association by the payment of the amount of such settlement and the costs and expenses incurred in connection therewith.

4.15 Management Committee Liability.

To the fullest extent permitted by the Utah Revised Nonprofit Corporation Act, the Declarant and each past and present Member of the Management Committee shall not be liable for any damage, loss, or prejudice suffered or claimed on account of any decision, approval, or disapproval, course of action, act, omission, payment, error, or negligence except for intentional or willful bad acts or acts of recklessness. If a Member of the Management Committee or any officer of the Association is made a party to any proceeding because the individual is or was a director or officer of the Association, the Association shall indemnify such individual against liability and expenses incurred to the maximum extent permitted by law, except where the Member of the Management Committee or officer is found by a court of law to have engaged in willful or intentional misconduct in carrying out his/her duties.

4.16 Registration with the State.

In compliance with Utah Code §57-8a-105, the Association shall be registered with the Utah Department of Commerce and shall update its registration to keep any required information current as required by law.

4.17 No Reliance on Actions Contrary to Governing Documents.

No one may rely upon any authorization from the Management Committee or anyone else contrary to the terms of the Governing Documents regardless of the circumstances under which it is given, and no claim or defense of estoppel, waiver, or similar equitable or legal claim or defense may be raised by anyone related to any alleged reliance. It is the responsibility of anyone interacting with, visiting, occupying, or purchasing a Unit to verify that anything that the Association does, does not do, or authorizes is in compliance with the terms of the Governing Documents.

ARTICLE V. MEMBERSHIP, AND VOTING RIGHTS

5.1 Membership.

Every Owner shall be a Member of the Association. Membership in the Association shall be mandatory, shall be appurtenant to the Unit in which the Owner has the necessary interest, and shall not be separated from the Unit to which it appertains. Membership in the Association shall not be transferred, pledged, or alienated in any way, except upon the transfer of ownership of the Unit to which it is appurtenant, and then only to the new Owner. Any attempt to make a prohibited transfer is void. Association membership shall automatically terminate when an Owner ceases to own a Unit. If title to a Unit is held by more than one Person, the membership appurtenant to that Unit shall be shared by all such Persons in the same proportional interest and by the same type of tenancy in which title to the Unit is held.

5.2 Voting Rights.

Except as otherwise disallowed in this Declaration or the Bylaws, or limited by the Special Declarant Rights, Owners shall be entitled to one (1) vote per Unit owned.

5.3 Multiple Ownership Interests.

If there is more than one Owner of a Unit, the vote relating to such Unit shall be exercised as such Owners may determine among themselves. A vote cast by any of such Owners, whether in person or by proxy or by written ballot, shall be conclusively presumed to be the vote attributable to the Unit concerned unless an objection is immediately made by another Owner of the same Unit. In the event such an objection is made or if there are conflicting votes from the same Unit, the vote involved shall not be counted for any purpose, except towards establishing a quorum.

5.4 Record of Ownership.

Every Owner shall promptly notify the Association of any change in ownership of a Unit by providing the conveyance information to the Secretary of the Association who shall maintain a record of ownership of the Units. The Owner shall also provide the name of any Lender covering such Unit. Any cost incurred by the Association in obtaining the information about an Owner as specified herein which is not furnished by such Owner shall nevertheless be at the expense of such Owner and shall be reimbursed to the Association as an Individual Assessment.

ARTICLE VI. MAINTENANCE AND UTILITIES

6.1 Maintenance of Units.

Each Owner shall furnish and be responsible for, at the Owner's own expense, all of the maintenance, repair, and replacement of all fixtures, items, structures, and other items stated in this Declaration to be part of a Unit. Such obligation shall include, without limitation, the obligation to maintain, repair, replace, and keep them in proper operating condition, and for any

items and areas generally visible from outside of the Unit, to maintain them in a clean, well-maintained, uniform, undamaged, and tidy condition, all of the following:

- (a) all interior and exterior doors, including door trim and any door glass;
- (b) all paneling, tiles, wallpaper, paint, carpet, finished flooring, and any other materials constituting the finished surfaces of floors, ceilings, or interior walls;
- (c) all interior and exterior windows, interior window frames, and interior trim and door glass or equivalent materials (including the interior and exterior cleaning of such windows and door glass);
- (d) all sewer and drainage pipes, water, power, and other utility lines in an Owner's Unit between the points at which the same enter the Owner's Unit and the points where the same join the utility lines serving other Units; and
- (e) any of the following whether inside or outside of the Unit, which serve an Owner's Unit exclusively: fans, plumbing fixtures, stoves, dishwashers, refrigerators, hot water heaters, heating, ventilating, and air conditioning units (including compressors, condensers, and forced air units), light bulbs in exterior lighting fixtures, intercoms, security systems, and such other appliances, fixtures, and decorations as an Owner may install. If any of the aforementioned fixtures or appliances serve more than one Unit, then the Owners of the Units benefitted by such equipment shall be responsible to jointly maintain the equipment or the Association may elect to maintain the equipment in the Management Committee's sole discretion.
- (f) Each Owner shall be responsible for performing all snow removal on the sidewalks and driveways located on their Lot and in the common areas and limited common areas in front of their Unit.

6.2 Fencing.

Owners shall be responsible to maintain, repair, and replace non-perimeter fences which mark the boundaries of their Lot. The Association may grant permission for an Owner to enclose the backyard area of an individual lot with approved fencing; but such approval must be made in writing at the discretion of the Management Committee. No approval shall be granted unless the Owner agrees to cover the cost of construction and any necessary alterations to the existing area, as the Management Committee so determines; all fences must include a gate. The cost and responsibility to maintain, repair, and replace any portion of a fence, which serves, benefits, or bounds one Lot shall be borne exclusively by the Owner bounded thereby. When such fences serve, benefit, or otherwise mark a boundary of two or more Lots, the responsibility and cost to maintain, repair, and replace the shared portion of such fences shall be borne pro rata by all Owners bounded thereby. No dog runs, animal pens, or fences that do not mark the boundaries of the Lot shall be approved.

6.3 Party Wall and Shared Roof Maintenance.

By acceptance of a deed to a Unit, each Owner hereby acknowledges, agrees, and understands that it is essential that the Party Walls and shared roofs be maintained in good condition and repair to preserve the integrity of the Units as they are used and occupied by Owners. Each Owner hereby covenants and agrees not to do anything or to erect any barrier that will hinder, delay, or limit the maintenance of the Party Wall and shared roof appurtenant to their Unit. With respect to the surface components of the Party Wall, each Owner agrees to maintain and keep in good condition and repair, including the making of replacements as needed, all surface components which face into such Owners' respective Unit. With respect to pipes, conduits, ducts, and other utility service lines and connections which benefit one or more, but fewer than all, of the Owners, the Owner(s) benefited thereby shall be fully and personally responsible for the cost of maintaining such items in good condition and repair, including the making of replacements as needed. If the need for maintenance or repair of a Party Wall or shared roof is caused through the willful or negligent act of any Owner or his/her Occupant, the cost of such maintenance or repairs shall be the sole and exclusive expense of such Owner. With respect to structural components of the Party Walls and shared roofs, except as may be otherwise provided in the immediately preceding sentences, the Owners benefitted by a Party Wall or shared roof agree to share equally in the cost of maintenance and upkeep thereof in good condition and repair, including the replacement thereof as necessary. If there is a dispute over the responsibility for maintenance or repair of a Party Wall or shared roof, the Association may, but shall not be required to, intervene and determine each Owner's responsibility. The Association shall have the powers set forth in Section 6.6 below to remedy any neglect in performing Party Wall or shared roof maintenance responsibilities.

6.4 Modifications to Units.

(a) Owners may make nonstructural alterations within the Owner's Unit that do not impact the uniform appearance of the exterior of the Units, but an Owner shall NOT make any structural alterations or alterations to any part of the exterior of a building (such as windows, light fixtures, and exterior doors), or the Common Area, without the prior written approval of the Management Committee. The Management Committee may require that such repairs or modifications, if allowed, be made in a particular manner, by a particular Person, or that they comply with color schemes, material requirements, or other standards.

(b) Remodeling and Extensive Maintenance. An Owner shall be liable for any and all damage and/or liability associated with any remodeling or maintenance work including damage to the Unit, another Unit, or any Common Area. Without prior written permission of the Management Committee, none of the following shall occur in any remodeling: (1) any use of the Common Area for staging, storage, assembly, or construction; (2) the creation or implementation of any visual, audible, or aromatic nuisance or any other nuisance that impacts on the use and enjoyment of any one or more of the other Units; (3) any blocking of the Common Area by vehicles, materials, or persons; (4) any work done outside of regular business hours; or (5) any use of the Association's garbage and disposal facilities for the disposal of debris, materials, or other items related to the remodeling. The Management Committee may make rules governing

items (1) through (5), above, which rules may include but are not limited to topics like noise, debris, waste, and work hours.

6.5 Maintenance of Common Area.

- (a) **Maintenance of Common Area.** Except as otherwise provided specifically herein, the Association, through its Management Committee or its fully delegated representative, shall repair, maintain, replace, pay all expenses associated with, and otherwise manage the Common Area as that area is defined in this Declaration. This shall include the right to modify, remove fixtures upon, add to, place signs upon, and otherwise modify the Common Area. The Association shall do all such other and further acts that the Management Committee deems necessary to preserve and protect the Common Area and the beauty thereof, in accordance with the general purposes specified in this Declaration.
- (b) **Standard of Maintenance.** The Management Committee shall determine, in its sole discretion, the appropriate standards to be used for the maintenance of the Common Area, so long as the Association is maintained in the best interests of the Owners.
- (c) **Assessment for Maintenance Expenses to Specific Owner.** If the need for maintenance or repair is caused through the willful or negligent act of Occupants, family, guests, tenants, or invitees of an Owner the Management Committee may cause the needed maintenance or repair to be made. In such a case, the Association shall assess the Owner the reasonable cost of such maintenance or repair. Failure to timely report the need for maintenance or repair shall be deemed a negligent act for purposes of this Article.
- (d) **Notwithstanding the foregoing and anything to the contrary in this Declaration,** the Association shall not be obligated to maintain any road, utility, park, parcel, or utility system or component which is owned or maintained by a municipality or utility company.
- (e) **Notwithstanding the foregoing,** the Association shall be responsible to maintain the landscaped areas of the Common Area. However, the Association shall not be responsible to maintain any unapproved landscaping, except at the discretion or approval of the Management Committee.
- (f) **The maintenance allocations provided in this Article shall clarify, expand upon, and supersede any maintenance provisions contained in other Governing Documents.** The Association shall have no obligation to perform any interior building maintenance and/or repair of any part of a Lot, Unit, Limited Common Area, or any other landscaping installed by an Owner without the Association's express agreement for such maintenance.

6.6 Default in Maintenance.

If an Owner or Occupant fails to maintain a Unit for which the Owner is responsible, as provided by this Article, or make repairs thereto in such a manner as may be deemed reasonably necessary in the judgment of the Management Committee to preserve and protect the attractive appearance and value of the Property, the Management Committee may give written notice to such Owner or Occupant stating the nature of the default and the corrective action that the Management Committee determines to be required and requesting that the same be carried out within a reasonable period of time as determined by the Management Committee. Upon written request from a Mortgagee, notice of the Owner's failure to cure any default on his part to perform his obligations shall be provided to the Mortgagee. If the Owner or Occupant fails to carry out such action within the period specified by the notice, then the Association shall have the right, but not the obligation, at the expense of the Owner and without liability to the Owner for trespass or otherwise, to take the corrective action that the Management Committee deems necessary. Expenses incurred by the Association in taking the corrective action shall be levied against the Unit and treated as an Individual Assessment, including reasonable attorney fees, as outlined in Article VII. The Individual Assessment shall be due and payable immediately and shall be secured by the Assessment lien created in this Declaration.

6.7 Utilities.

The charges from utilities that are metered separately to each Unit shall be the responsibility of the respective Owners. Utility costs and charges that are metered collectively to the Association shall be a Common Expense.

ARTICLE VII. BUDGET AND ASSESSMENTS

7.1 Annual Budget.

The Management Committee shall prepare and adopt an annual budget for the Association. The annual budget shall provide, without limitation, for the maintenance of the Common Areas and for the administration, management, and operation of the Association. The Management Committee may revise the budget from time to time as the Management Committee deems appropriate. If the Management Committee fails to adopt an annual budget, the last adopted budget shall continue in effect until the new annual budget is adopted. The budget shall be made available to Owners within thirty (30) days after adoption.

7.2 Covenant to Pay Assessments.

Each Owner, by acceptance of a deed or other instrument creating in such Owner the interest required to be deemed an Owner, whether or not it shall be so expressed in any such deed or other instrument, is deemed to covenant and agree with each other Owner and with the Association to pay to the Association such Assessments to be fixed, established, and collected from time to time as provided in this Declaration. The Assessments, together with interest thereon, late fees, collection charges, attorneys' fees, court costs, and other costs of collection as

hereinafter provided shall be secured by a continuing lien upon the Unit against which each such Assessment is made in favor of the Association. Each Assessment, together with such interest, late fees, collection charges, costs and attorney fees, shall also be the personal obligation of the Owner of such Unit at the time the Assessment becomes due secured by the interest of the Owner in the Unit.

(a) In a voluntary conveyance, the grantee of a Unit shall be jointly and severally liable with the grantor for all unpaid Assessments, together with interest, costs, and reasonable attorney fees against the latter for any Assessments authorized by this Declaration 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.

(b) A lien to secure unpaid Assessments shall not be affected, canceled, or otherwise eliminated by the sale or transfer of the Unit unless foreclosure by a higher priority encumbrance is involved, in which case the foreclosure will extinguish the lien as required by law for any Assessments that were payable before the foreclosure sale, but shall not relieve any subsequent or successor Owner from paying further Assessments or from the lien of any future Assessments.

(c) No unit owner may be exempt from liability for Owner's contribution towards the assessments by waiver of the use or enjoyment of any of the Common Areas and facilities or by abandonment of the Owner's unit.

7.3 Purpose of Assessments.

The Assessments levied by the Association shall be used exclusively for the purposes of the following: promoting the safety and welfare of the Owners; effecting the management, maintenance, care, preservation and protection of the Property; enhancing the quality of life in the Property; and maintaining and enhancing the value of the Property including, without limitation, the improvement and maintenance of the services and facilities devoted to this purpose and related to the use and enjoyment of the Common Area; or in furtherance of any other duty or power of the Association.

7.4 Annual Assessments.

Annual Assessments shall be made on a calendar year basis. The Management Committee shall give written notice of each Annual Assessment not less than fifteen (15) days prior to the beginning of the next calendar year. Each Annual Assessment shall be due and payable in monthly installments, on dates established by the Management Committee. At least fifteen (15) days prior to the effective date of any change in the amount of the Annual Assessment, the Association shall give each Owner written notice of the amount.

7.5 Special Assessments.

The Management Committee may levy a Special Assessment up to the maximum amount allowed by law per Unit per calendar year, payable over such a period as the Management

Committee may determine, for the purpose of defraying, in whole or in part any expense or expenses not reasonably capable of being fully paid with funds generated by Annual Assessments; the cost of any construction, reconstruction, or unexpected repair or replacement of the Common Areas; or for any other expense incurred or to be incurred as provided in this Declaration. Notice in writing of the amount of any Special Assessments and the time for their payment shall be given as soon as is reasonably possible to the Owners. Payment shall be due on the dates and in the manner provided in the notice.

7.6 Individual Assessments.

In addition to Annual and Special Assessments authorized above, the Management Committee may levy Individual Assessments against a Unit and its Owner to reimburse the Association for: (1) administrative costs and expenses incurred by the Management Committee in enforcing the Governing Documents; (2) costs associated with the maintenance, repair, or replacement of Common Areas caused by the neglect or actions of an Owner or his/her Occupants; (3) any other charge, fine, fee, expense, or cost designated as an Individual Assessment in the Governing Documents or by the Management Committee, including, without limitation, action taken to bring a Unit and its Owner into compliance with the Governing Documents; (4) nonpayment of a Reinvestment Fee; and (5) attorney fees (regardless of whether or not a lawsuit is filed), court or collection costs, fines, and other charges relating thereto as provided in this Declaration or other Governing Document.

7.7 Allocation of Assessments.

Except as otherwise provided herein, all Annual and Special Assessments shall be imposed upon all Units according to their Allocated Interest. Individual Assessments shall be allocated separately to each Unit based on the costs incurred by the Association.

7.8 Rules Regarding Billing and Collection Procedures.

The Management Committee shall have the right and responsibility to adopt Rules setting forth procedures for the purpose of making the Assessments provided for in this Declaration and for the billing and collection of Assessments, provided that such procedures are not inconsistent with the provisions hereof. The failure of the Association to send an invoice to an Owner shall not relieve any Owner of liability for any Assessment or charge under this Declaration, but the Assessment lien therefore shall not be foreclosed or otherwise enforced until the Owner has been given not less than thirty (30) days written notice prior to such foreclosure or enforcement, at the address of the Owner on the records of the Association, of the Assessment or installment and of the amount owing. Such notice may be given at any time prior to or after delinquency of such payment. A copy of such notice may also be provided to the Occupant(s) of the Owner if the Owner is not a resident of the Unit.

7.9 Certificate of Payment.

The Association shall, within ten (10) business days after written demand for payment to the Association, furnish to any Owner liable for Assessments or to the Lender or a potential

Lender for such Unit, a recordable written statement or certificate signed by an officer or authorized agent of the Association setting forth whether the Assessments relating to a specified Unit have been paid and the amount of delinquency, if any. A reasonable charge of twenty-five dollars (\$25) (unless the Act allows for a greater amount, in which event the greater amount may be charged) may be collected by the Association for the issuance of each such certificate. Each certificate shall be conclusive evidence of payment of any Assessment therein stated to have been paid.

7.10 Acceptance of Materials or Services.

In the event the Association undertakes to provide materials or services that are not otherwise required in the maintenance of the Property, which benefit individual Units, and which can be accepted or not by individual Owners, such Owners, in accepting such materials or services, agree that the costs thereof shall be an Individual Assessment at the discretion of the Management Committee.

7.11 Application of Excess Assessments.

In the event the amount budgeted to meet Common Expenses for a fiscal year proves to be excessive in light of the actual Common Expenses, the Management Committee in its discretion may apply the excess to reserves, credit the excess against future Assessments, or pay the excess to the Owners of each Unit, as the Management Committee deems appropriate. The decision of the Management Committee shall be binding and conclusive. In addition, the Association shall not be obligated to reduce the amount of Assessments in succeeding years if an excess exists for a prior year.

7.12 No Offsets.

All Assessments shall be payable in the amount specified by the Assessment and no offsets against such amount or withholding of any amount shall be permitted for any reason, including, without limitation, a claim that the Association is not properly exercising its duties and powers as provided in this Declaration.

7.13 Reinvestment Fee.

In accordance with this Section and Utah Code §57-1-46, a Reinvestment Fee is hereby established and shall be governed by the following terms and conditions:

- (a) Upon the occurrence of any sale, transfer, or conveyance of any Unit as reflected in the office of the County recorder, regardless of whether it is pursuant to the sale of the Unit or not (as applicable, a "Transfer"), the party conveying title to the Unit (the "Transferor") shall provide notice to the Association prior to closing, and the party receiving title to the Unit (the "Transferee") shall pay to the Association a Reinvestment Fee in an amount of one-half of one percent (0.5%) of the total sale amount, provided that in no event shall the Reinvestment Fee exceed the maximum rate permitted by law.

(b) The Association shall not levy or collect a Reinvestment Fee for any Transfer exempted by Utah Code §57-1-46, as amended. The exempted transfers include involuntary transfers, court-ordered transfers, bona fide transfers to close relatives, transfers due to death, and transfers by financial institutions.

(c) The Reinvestment Fee shall be due and payable by the Transferee to the Association at the time of the Transfer giving rise to the payment of such Reinvestment Fee and shall be treated as an Individual Assessment for collection purposes.

7.14 Homestead Waiver.

Pursuant to Utah Code §78B-5-503(3), and to the extent any liens are created pursuant to this Declaration, whether such liens are now in existence or are created at any time in the future, each Owner waives the benefit of any homestead or exemption laws of the State of Utah now in effect, or in effect at any time hereafter.

ARTICLE VIII. EFFECT OF NONPAYMENT OF ASSESSMENTS AND REMEDIES

8.1 Due Date and Delinquency.

Assessments shall be paid in a timely manner. Payments are due in advance on the first day of the month or the first day of such other period established by the Management Committee. Payments are delinquent if received more than ten (10) days from the date that they became due. Whenever an Assessment is delinquent, the Management Committee may, at its option, invoke any one or more or all of the sanctions granted in this Article.

8.2 Collection Charge.

If the Association does not otherwise adopt or establish billing and collection procedures in the Rules, the following shall apply. Delinquent accounts shall be charged a twenty-five dollar (\$25) late fee each month until the Owner's account (including all collection charges, costs, and attorney fees) is paid in **full**. Interest may accrue on all unpaid balances at the rate of eighteen percent (18%) per annum. Collection charges, interest, and/or late fees shall constitute part of the Assessment lien provided above until paid, including all accompanying charges, costs, and attorney fees. Payments shall be credited first to collection costs (including attorney fees), then to interest and late fees, then to the oldest Assessments, then the most recent Assessments.

8.3 Action at Law.

The Association may bring an action to recover a delinquent Assessment either personally against the Owner obligated to pay the same or by foreclosure of the Assessment lien on the Unit of the Owner. In addition, the Association's choice of one remedy shall not prejudice or constitute a waiver of the Association's right to exercise any other remedy. Any attorney fees and costs incurred in this effort shall be assessed against the delinquent Owner and the Owner's Unit, and reasonable attorney fees and court costs will thereafter be added to the amount in delinquency (plus interest, late fees, and collection charges). Each Owner vests in the

Association and its successors and assigns the right and power to bring actions at law against such Owner and Owners, or to advance lien foreclosures against the Unit of such Owner or Owners, for the collection of delinquent Assessments.

8.4 Foreclosure Sale.

Any foreclosure provided for in this Declaration may be conducted pursuant to a judicial or non-judicial foreclosure or in compliance with applicable provisions relating to the foreclosure of deeds of trust or realty mortgages in the State of Utah. In any foreclosure and subsequent sale, the Owner of the affected Unit shall pay the costs and expenses of all related proceedings including reasonable attorney fees incurred by the Association. The Association may, through its duly authorized agents including the Management Committee, have and exercise the power of the trustee and the power to bid on a Unit at the foreclosure or other sale thereof, and to acquire, hold, lease, rent, mortgage and convey such Unit.

8.5 Association Responsibility after Foreclosure.

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

8.6 Trust Deed Provisions.

Each Owner by accepting a deed to a Unit hereby conveys and warrants the Unit in trust with power of sale to the Association's attorney as trustee to secure performance of the Owner's obligations, to the Association, under the Governing Documents. All notices of default and other communications material to an exercise of the power of sale be sent to the street address of the Owner's Unit or the last known mailing address of the Owner as shown on the books and records of the Association, if different from the street address of the Unit.

8.7 Suspension of Votes.

The Management Committee may suspend the obligated Owner's right to vote on any matter at regular and special meetings of the Association and the Owner's right to use all or any portion of the Common Area (exclusive of the Limited Common Area appurtenant to the Owner's Unit) for the entire period during which an Assessment or other amount due under any of the provisions of the Declaration remains delinquent.

8.8 Termination of Services.

If an Owner fails or refuses to pay any Assessment when due, the Management Committee may terminate the Owner's right to receive utility services paid as a Common

Expense and access to and use of the Common Areas. Before limiting, restricting, or terminating any utility or other service provided by the Association or restricting access to or use of the Common Areas, the Association shall notify the Owner and give such Owner at least three (3) business days to pay the past due balance.

8.9 Recovery of Rent from Tenant.

If a delinquent Owner is leasing his Unit or any portion thereof, then pursuant to Utah Code §57-8-53, the Management Committee may, at its option, so long as an Assessment is more than sixty (60) days late, demand and receive from any tenant the rent due or becoming due and the payment of such rent to the Management Committee shall discharge such tenant for rent due, and shall discharge the Owner for such Assessments to the extent of the amount so paid.

8.10 Account Payoff Information.

The Association may charge a fee for providing account payoff information in connection with the closing of an Owner's financing, refinancing, or sale of a Unit as provided for in Utah Code §57-8-6.3. The Management Committee may set forth the amount of the fee in the Rules, but such fee shall not exceed the maximum amount allowed pursuant to Utah law. If not otherwise set forth in the Rules, the Account Payoff Fee shall be fifty dollars (\$50).

ARTICLE IX. PROPERTY RIGHTS IN COMMON AREA

9.1 General Easements to Common Area and Units.

(a) Subject to this Declaration and the Rules, each Owner shall have an equal undivided interest, right and easement of use and enjoyment in and to the Common Area. Each Owner shall have an unrestricted right of ingress or egress to and from the Owner's Unit over and across such Common Area, subject to Association Rules. Such rights and easements shall be appurtenant to and shall pass with title to each Unit, even if not specifically mentioned in the instrument of transfer, and in no event shall such appurtenant rights be separated therefrom. Any Member may delegate the right and easement of use and enjoyment described herein to any family member, tenant, lessee, or contract purchaser who resides on such Member's Lot. The rights and privileges of such delegee or assignee shall be subject to suspension in the same manner and to the same degree as those of an Owner.

(b) The Declarant reserves in favor of the Declarant and the Association, acting through the Management Committee or its authorized agent, nonexclusive easements with the right of access to each Unit, without trespass, to make inspections and to maintain, repair, replace or effectuate the restoration of the Common Area accessible from such Unit. The Association shall also have a nonexclusive right to grant permits, licenses and easements upon, across, over, under, and through the Common Area for purposes necessary for the proper operation of the Property. Such rights shall be exercised in a reasonable manner and at reasonable times with prior notification, unless emergency situations demand immediate access.

9.2 Public Utility Easements.

The Property is subject to blanket easements and rights-of-way in favor of the Association over, across, above, and under the Common Areas and any other necessary portion of the Property for the installation and maintenance of electricity lines, telephone lines, cable television, water lines, gas lines, sewer lines, drainage facilities, and such other public utilities needed to serve the Property. The Association shall have the power to grant and convey to any municipality, special service district, or Person, in the name of all of the Owners as their attorney-in-fact, easements and rights-of-way in, on, over, or under the Common Area or any other necessary area of the Property for the purpose of constructing, erecting, operating or maintaining pipelines, cables, wires, conduits, or other devices for electricity, cable television, power, telephone, public sewers, storm water drains and pipes, water systems, sprinkling systems, water heating and gas lines or pipes, and any similar public or quasi-public improvements or facilities, and each Owner in accepting the deed to a Unit expressly consents to such easements and rights-of-way and authorizes and appoints the Association as attorney-in-fact for such Owner to execute any and all instruments conveying or creating such easements or rights-of-way. Such Owner and those claiming by, through, or under an Owner agree to execute promptly all such documents and instruments and to do such other things as may be necessary or convenient to effect the same at the request of the Association.

9.3 Easements for Encroachments.

If any portion of the Common Area encroaches upon any Unit, or if any Unit encroaches upon any other Unit or the Common Area, as a result of settling, shifting, alteration, replacement, repair, or restoration by the Association, a valid easement for encroachment, and maintenance of such encroachment, shall exist so long as the buildings stand.

9.4 Limitation on Easement - Suspension of Owner Rights.

Each Owner's right and easement of use and enjoyment concerning the Common Area is subject to the following:

- (a) The right of the Association to suspend the Owner's voting right in the Association and the Owner's right to the use of any facilities included in the Common Area: (i) for any period during which an Assessment on such Owner's Unit remains unpaid; (ii) for a period not exceeding sixty (60) days for any infraction by such Owner of the Governing Documents; and (iii) for successive 60-day periods if any such infraction is not corrected during any prior 60-day suspension period;
- (b) The right of the Association to impose reasonable limitations on the number of guests per Owner or Occupant who at any given time are permitted to use the Common Area; and
- (c) The right of any governmental or quasi-governmental body having jurisdiction over the Property to access and to have rights of ingress and egress over and across any

street, parking areas, walkway or open areas contained within the Common Area for purposes of providing police and fire protection, transporting school children, and providing other governmental or municipal services.

9.5 Views.

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

9.6 Party Wall and Shared Roof Easement.

Each Owner hereby acknowledges and agrees that a Party Wall or shared roof may presently encroach upon or overlap the Owner's Unit. Each Owner hereby grants to the adjoining Owner of the other Unit that shares the Party Wall, or shared roof, an easement over and upon its Unit for the purpose of maintaining the Party Wall and shared roof. By accepting a deed to a Unit, each Owner hereby covenants and agrees not to do anything or to erect any barrier that will hinder, delay, or limit the maintenance of the Party Wall and shared roof and the performance of each Owner's obligation to maintain and repair the townhome structure.

9.7 Personal Security Cameras.

In accordance with UCA § 57-8-8.1, a Unit Owner may install a personal security camera immediately adjacent to the entryway (doorbell camera), inside windows, inside glass doors or other outside entry point of the Owner's Unit. A Unit Owner shall NOT install a personal security camera in a common area not physically connected to the Owner's Unit or on the exterior of the buildings.

ARTICLE X. USE RESTRICTIONS

10.1 Rules and Regulations.

The Association has authority to promulgate and enforce such Rules, regulations, policies and procedures as may aid the Association in carrying out any of its functions or to ensure that the Property is maintained and used in a manner consistent with this Declaration and the Bylaws.

10.2 Use.

Units shall be occupied and used only as a private single-family residence. Common Areas are to be used in a manner consistent with their community nature and use restriction.

10.3 Signs.

The Association may regulate and restrict signs in the Property to the extent permitted by

law and in the Rules. Unless otherwise set forth by the Management Committee in the Rules, the following restrictions shall apply, "For Sale," "For Rent," or political signs may only be placed in areas identified and approved by the Management Committee. All other signs may only be erected or maintained in the Property, whether in a window or otherwise, with the prior written approval of the Management Committee. Signs may not exceed 18" X 24" in size and "For Sale" or "For Rent" signs may only be posted into the ground with wire or stakes no more than 1" in diameter. Political signs may not exceed 18" X 24" in size and may only be posted in a window of the Owner's Unit. Occupants may display one reasonably sized American flag on the exterior of a Living Unit consistent with the Freedom to Display the American Flag Act of 2005, the Utah Display of Flag Act, and Utah Code § 57-8a-219. Flags, if displayed, must be displayed in accordance with United States Code Title 4, Chapter 1. Owner signs on the exterior of the Property are prohibited. In accordance with UCA § 57-8-8.1, the Association may adopt additional reasonable rule restricting the size, time, place, and manner for posting a for-sale sign or a political sign that is visible from the exterior of a unit.

10.4 Nuisance.

No noxious, illegal, or offensive activity shall be conducted upon the Property, nor shall any activity that might be or become an annoyance or nuisance to other Owners or Occupants be permitted to interfere with their rights of quiet enjoyment, increase the rate of any insurance, or decrease the value of the Units. No Owner or Occupant shall engage in activity within the Property in violation of any law, ordinance, statute, rule, or regulation of any local, county, state, or federal body. A nuisance includes but is not limited to the following:

- (a) The development of any unclean, unhealthy, unsightly, or unkempt condition on, in, or about a Lot or the Common Areas;
- (b) The creation or maintenance of any noxious or offensive condition or activity in or about any Lot or the Common Areas;
- (c) Actions or activities tending to cause embarrassment, discomfort, annoyance, distress or a disturbance to any other residents, their guests or invitees, particularly if the police or sheriff must be called to restore order;
- (d) Maintaining any plants, animals, devices or items, instruments, equipment, machinery, fixtures, or things of any sort whose activities or existence in any way is illegal, noxious, dangerous, unsightly, unpleasant, or of a nature that diminishes or destroys the enjoyment of the Association by other residents, their guests or invitees;
- (e) excessive noise between 10:00 pm and 7:00 am;
- (f) the use of outdoor speakers or amplifiers;
- (g) excessive foot or vehicular traffic in, on, or about the Property beyond that expected for a typical personal residence, especially after 10:00 pm and before 7:00 am; and

- (h) any violation of the Governing Documents.

The Management Committee may adopt Rules that further describe the activities that are deemed to be nuisances within the Property. The Management Committee shall have the sole discretion and authority to determine if an activity or condition constitutes a nuisance.

10.5 Temporary Structures.

No structure or building of a temporary character, including a tent or shack, or storage unit shall be placed upon the Property or used therein unless the same and its proposed use are approved by the Management Committee in writing.

10.6 Parking.

Parking is prohibited on the streets within the Property unless designated otherwise via street signage or markings. At no time shall any vehicle be parked at an entrance to or in front of a parking space or walkway or at any other location within the Property, which would impair vehicular access or snow removal. Undesignated parking stalls shall be subject to and governed by Association Rules, and may be assigned by the Management Committee. The Association may charge a fee for the use of the assigned parking stalls, which are intended to be used as vehicle parking spaces only and are restricted to such use. The Management Committee may adopt additional Rules relating to the parking of vehicles within the Property, including, without limitation: the size and dimensions of the vehicles parked within the Property; the admission and temporary parking of vehicles within the Property; the use of any undesignated parking spaces, including, without limitation, the right to loan or license the visitor parking spaces in the discretion of the Management Committee; the right to remove or cause to be removed any vehicles that are improperly parked; the time visitor spaces may be used; and the assessment of charges to Owners and Occupants who violate, or whose invitees, violate such Rules.

10.7 External Fixtures.

No external items such as, but not limited to; television and radio antennas, cameras, satellite dishes, flag poles, clotheslines, wiring, insulation, window air conditioning units, water softening equipment, fences, awnings, ornamental screens, exterior doors, screen doors, porch or patio or balcony enclosures, sunshades, lighting fixtures, walls, windows, skylights, landscaping and planting, and any replacements thereof, other than those approved by the Management Committee, shall be constructed, erected, or maintained on the Property without the prior written approval of the Management Committee. The Management Committee may adopt Rules or design guidelines regulating the location, type, color, and design of these external fixtures. Any damage caused by the installation of any external fixture to the Common Areas (including roofs and exterior surfaces) shall be repaired by the Association, but the Association may assess such repair costs as an Individual Assessment against the Owner who is responsible for installing the external fixture, regardless of whether such fixture was approved in advance by the Management Committee.

10.8 Window Covers.

Blinds or curtains shall be installed on all windows. No window shall be covered by paint, grease, blankets, rugs, foil, sheets, towels, newspaper, or similar items. The Management Committee may adopt Rules regulating the type, color, and design of the external surface of window covers. All window coverings shall be installed within one week of occupancy of a Unit.

10.9 No Outside Storage.

No observable outdoor storage of any kind shall be permitted on patios, decks, front or back yard areas, porches, Common Areas, etc., except for patio furniture and portable barbecue grills in good condition which may be maintained in backyards of Units. Said patio furniture shall conform with standards set by the Management Committee, which may include the regulation of colors, materials, and product types. The Association may vary or expand upon the provisions of this Section by Rule.

10.10 Recreational Vehicles.

No boats, trailers, motorhomes, large trucks, commercial vehicles, RVs, or the like belonging to Owners or Occupants of the Project shall be parked within the Project for a period exceeding twenty-four (24) hours within any three-day period of time.

10.11 Repairs.

No repairs of any detached machinery, equipment, or fixtures, including without limitation, motor vehicles, shall be made on the Property, including within units, garages, limited common areas, and common areas.

10.12 Unsightly Items.

All rubbish, debris, or unsightly materials or objects of any kind shall be regularly removed from Units and Common Areas and shall not be allowed to accumulate therein or thereon. Refuse containers, machinery, and equipment not a part of the Units, shall be prohibited in any Unit unless obscured from view of adjoining Units and Common Area. Trash and garbage shall be properly disposed in accordance with the Rules applicable thereto adopted by the Management Committee. Such rules may limit the use of dumpsters to household trash and exclude the use of dumpsters for items like furniture or remodeling debris.

10.13 Machinery and Equipment.

No machinery or equipment of any kind shall be placed, used, operated, or maintained on or adjacent to any Lot except such machinery or equipment used by the Association or its contractors for the maintenance of the Common Areas.

10.14 Firearms.

The use of firearms within the Property is strictly prohibited. The terms firearm includes BB guns, pellet guns, sling shots, bows and arrows, cross bows, wrist-rockets, blow-darts and any and all firearms of all types regardless of size.

10.15 Drones.

The use of drones within the Property is strictly prohibited unless approval of such is permitted by the Management Committee in writing.

10.16 Pets.

Each Unit may house only one domestic pet, limited to either a dog or a cat, in compliance with all local government requirements. All pets must be duly licensed and tagged as required by the appropriate governmental agency and registered with the Association if stipulated by the Management Committee. Breeding of pets, animals, livestock, or poultry of any kind is strictly prohibited on the Property. The Management Committee may adopt Rules that vary or expand upon the restrictions in this Section, including, but not limited to, limitations on pet noise, additional registration and license requirements, and other pet-related regulations.

Pets must not create a nuisance, which includes, but is not limited to, the following behaviors: (a) causing damage to property owned by others; (b) creating unreasonable odors that foul the air; (c) contributing to unsanitary conditions; (d) defecating in Common Areas without immediate cleanup by the responsible party; (e) barking, whining, howling, or making other disturbing noises excessively, continuously, or at inappropriate times; (f) lunging at or harassing passersby or chasing vehicles.

Pets may not be tied or tethered in the Common Area and must be leashed or otherwise restrained whenever outside a Unit. The Association reserves the right to levy Individual Assessments on Owners for any damages to Common Areas or landscaping caused by their pet.

10.17 Leasing and Non-Owner Occupancy.

The leasing and Non-Owner Occupancy of all Units shall be governed by this Section and any Rules and procedures adopted as allowed in this Section.

- (a) Intent to Increase Owner-Occupancy: The intent of this Section is to achieve at least 50% Owner-Occupancy within the community as soon as practicable to meet eligibility requirements for Federal Housing Administration (FHA) financing. To support this goal, the Association encourages compliance with the rental restrictions set forth herein.

(b) Definitions. For this Section:

(i) "Owner-Occupied Unit" means: A Unit occupied by at least one individual Owner, or the Family Member of an Owner, as their primary residence. For the purposes of this Section, a Unit shall be considered Owner-Occupied only when the Owner, or the Family Member of an Owner, has established the Unit as their legal domicile and resides there for the majority of the year.

(ii) "Non-Owner Occupied" means:

A. For a Unit owned in whole or in part by a natural individual or individuals, the Unit is occupied by someone, but no individual Owner or Family Member of an individual Owner occupies the Unit as their primary residence; or

B. For a Unit owned entirely by one or more entities or trusts, the Unit is occupied by anyone.

(iii) "Family Member" means:

A. The spouse, parent, sibling, or child of an Owner; or

B. In the case of a Unit owned by a trust or other entity created for estate planning purposes, a Person occupying the Unit is the Owner and the Unit is Owner-Occupied if the trust or other estate planning entity that owns the Unit was created for the estate of (i) the current Occupant of the Unit, or (ii) the spouse, parent, child, or sibling of the current Occupant of the Unit.

(c) Grandfathering of Units and Owners: All Units and Unit Owners as of the date these Amended CC&Rs are adopted shall be grandfathered with respect to any leasing or Non-Owner Occupancy restrictions. This means that any Unit rented or Non-Owner Occupied at the time of adoption that is currently and continuously rented may continue to be rented or Non-Owner Occupied until such time as the Unit becomes Owner-Occupied, subject to compliance with this Section and the Association's rules.

(d) Maximum Number of Non-Owner Occupied Units. The number of Units permitted to be Non-Owner Occupied shall not exceed fifty percent (50%) of the total Units within the Association, excluding exempted and grandfathered units as described herein. The Management Committee may adopt reasonable rules and reporting procedures to track and manage the number of Non-Owner Occupied Units.

(i) Owner-Occupied Units and Reversion to Rentals: Once a Unit becomes Owner-Occupied, it may not revert to Non-Owner Occupied status without prior application to and approval by the Management Committee. Approval will be subject to availability within the fifty percent (50%) rental cap and compliance

with all rental-related rules.

(ii) **Licensing and Fees:** Owners of Units approved for rental must obtain a rental license from the Association, pay an annual rental fee, and comply with any additional conditions imposed by the Management Committee.

(iii) **Penalties for Violations:** Any Owner found renting a Unit without approval or exceeding the rental cap may be subject to penalties, including but not limited to daily fines, revocation of rental privileges, and legal action to enforce compliance.

(iv) **Administration and Reporting:** The Management Committee may adopt reasonable rules and reporting procedures to track the number of Non-Owner Occupied Units and ensure consistent administration and enforcement of leasing restrictions, including the creation and management of a rental registry.

(e) **Requirements for Leasing and Non-Owner Occupancy.** The Owners of all Leased or Non-Owner Occupied Units must comply with the following provisions:

(i) Any lease or agreement for allowable Non-Owner Occupancy must be in writing, must be for an initial term of at least six (6) months, and shall provide as a term of the agreement that the Occupant shall comply with the Governing Documents, and that any failure to comply shall be a default under the lease agreement. If a lease agreement for Non-Owner Occupancy (whether in writing or not) does not include these provisions, they shall nonetheless be deemed to be part of the lease agreement and binding on the Owner and the Occupant.

(ii) A Non-Owner Occupant may not occupy any Unit for transient, short-term (less than six months), hotel, resort, vacation, Airbnb, or seasonal use (whether for pay or not). Except as a guest of an Owner, daily and weekly occupancy by Non-Owner Occupants is prohibited (whether for pay or not),

(iii) No Owner may lease less than the entire Unit unless the Owner resides in the Unit.

(iv) The Association requires the following information to be provided to the Association for Non-Owner Occupancy: copies of lease or other agreements, contact information of the Occupant including vehicles, phone numbers, e-mail addresses, etc. The Management Committee has authority to adopt any other Rules for Non-Owner Occupancy that the Management Committee deems appropriate to enforce the requirements of this Section and the Governing Documents.

(f) **Exemptions.** The following Units may be Non-Owner Occupied and are not subject to the cap on Non-Owner Occupied Units set forth in above:

- (i) A Unit owned by a Person in the military for the period of the Owner's deployment.
 - (ii) A Unit occupied by a Unit Owner's Family Member.
 - (iii) A Unit whose Owner is relocated for religious service.
 - (iv) A Unit whose Owner is relocated by the Owner's employer for a period of not less than two (2) years in accordance with Utah Code §57-8-10.1 (2)(a)(iii) as amended.
 - (v) A Unit owned by a trust or other entity created for estate planning purposes if the trust or other estate planning entity was created for: (1) the estate of the current Occupant; or (2) a Family Member of the current Occupant.
- (g) Joint and Several Liability of Owner and Non-Owner Occupants. The Owner of a Unit shall be responsible for the Non-Owner Occupants' and any guests' compliance with the Governing Documents and shall be jointly and severally liable for any violations thereof.
- (h) Violations.
- (i) If a Unit is leased in violation of this Section, the Management Committee may assess fines against the Owner pursuant to a schedule of fines adopted by the Management Committee.
 - (ii) If a Unit is leased in violation of any provision of this Section, (regardless of whether any fines have been imposed) the Management Committee may proceed with any available legal remedies, including, without limitation, an action to require the Owner to terminate the lease agreement and remove the tenant.
 - (iii) If the Management Committee determines that a Non-Owner Occupant has violated a provision of the Governing Documents, the Management Committee may require an Owner to terminate a lease agreement with such Occupant.
 - (iv) In addition to any other remedy for non-compliance, after reasonable notice, the Association shall have the right to initiate an action and obtain a forcible entry and unlawful detainer order from the court, or similar action, with the purpose of removing the offending Non-Owner Occupant. The Association, the Management Committee, and the Manager shall not have any liability for any action taken pursuant to this subsection and the Owner shall indemnify and pay the defense costs of the Association, the Management Committee, and the Manager arising from any claim related to any action taken in good faith by any of them pursuant to this subsection.

- (v) Fines, charges, and expenses incurred in enforcing the Association's Governing Documents with respect to a Non-Owner Occupant, and for any costs incurred by the Association in connection with any action under this Section, including reasonable attorney fees (regardless of whether any lawsuit or other action is commenced), shall be an individual assessment against the Owner and Unit which may be collected and foreclosed on by the Association.

10.18 Landscape Maintenance.

The Association shall have the sole right and duty to maintain and the right to alter and change all landscaping in the Common Area. The Association shall have the right of access to all Common Area of the Property as necessary for such landscape maintenance.

10.19 Floor Load.

There shall be no floor load more than the weight for which the Unit or balcony was designed, unless special arrangements are made, and an engineering determination of floor load capacity in the areas of the heavy use is approved in writing by the Management Committee. This includes, but is not limited to, the use of waterbeds, or Jacuzzi hot tubs.

10.20 Smoking and Incense Burning.

Smoking and the burning of incense is prohibited within all Units and on all Common Areas of the Association, whether indoors or outdoors. Without limiting the generality of the foregoing, this prohibition applies to private Units, the Association's Common Areas as defined in the Declaration, parking lot, roofs, etc. Smoking is defined as including carrying, burning or otherwise handling or controlling any lighted or smoldering product containing tobacco, or other like substance, including, but not limited to, cigarettes, cigars or pipes, hookahs and electronic vaping devices. Incense is defined as any material or product burned to produce aromatic smoke, including but not limited to, sticks, cones, and resin-based substances. Each Owner is responsible to ensure that said Owner, his/her Occupants, guests, and invitees comply with this restriction. Violations of this smoking restriction may result in a fine pursuant to the Rules and fine schedule adopted by the Management Committee.

10.21 Residential Occupancy and Commercial Activity Limits.

No business use and trade may be conducted in or from any Unit unless:

- (a) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the Unit;
- (b) the business activity conforms to all zoning requirements for the Property;
- (c) the business activity does not involve persons coming onto the Property who do not reside in the Property or door-to-door solicitation of residents of the Property;

(d) such business is legal within the meaning of all applicable statutes of the State of Utah and all ordinances of municipal authorities; and

(e) the business activity is consistent with the residential character of the Property and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents, as may be determined in the sole discretion of the Management Committee.

(f) Notwithstanding the above, the leasing of a Unit shall not be considered a trade or business within the meaning of this Section.

10.22 No Subdivision of Units or Further Restrictions.

No Unit shall be split, subdivided, or separated into two (2) or more Units, and no Owner of a Unit shall sell part of a Unit.

10.23 Architectural Control.

No exterior changes whatsoever shall be commenced, erected, maintained, made, or done without the prior written approval of the Management Committee, or any subcommittee formed by the Management Committee and given responsibility for architectural control. By way of illustration, but not of limitation, the following are considered exterior changes: painting, landscaping, repairs, excavation, patio covers, screens, windows, doors, fences, window air conditioners, fireplaces, skylights, storage buildings, solar collectors, shade screens, awnings, window coating or tinting, decorative alterations, or other work that in any way alters the exterior appearance of the Property. The Management Committee, or any subcommittee formed by the Management Committee, may designate the design, color, style, model, and manufacturer of any exterior improvement or alteration that is acceptable. Such designations shall be for the purpose of achieving uniformity of appearance and preservation of property values. No interior structural changes whatsoever shall be commenced, erected, maintained, made, or done without the prior written approval of the Management Committee, or any subcommittee established by the Management Committee. Any structural change may be denied by the Management Committee, or the Management Committee may require the Owner to provide an engineering report demonstrating, in the discretion of the Management Committee, that the structural changes will be constructed in a way to prevent any impact on the building or other Units. By way of illustration, but not of limitation, the following are considered interior structural changes: moving, removing, adding, or altering walls or doorways.

10.24 Lighting.

Exterior lighting fixtures and walkway and landscaping lights shall be allowed only to the extent approved by the Management Committee. Management CommitteeThe Management Committee may designate dates during which holiday light displays are permitted.

10.25 Unit Heating.

Owners shall heat Units to no less than sixty-degrees (60° F) at all times to prevent pipes from freezing.

10.26 No Fuel Storage.

No on-site storage of gasoline, heating, or other fuels shall be permitted on any part of the property except that the Management Committee or Association may store to operate and maintain the Common Areas, provided it is stores in a separate facility designated for this purpose.

10.27 Hazardous Substances.

(a) The Owners shall comply with applicable environmental laws (as defined below), and shall not cause or permit the presence, use, disposal, storage, or release of any hazardous substances (as defined below), on or within the Property that are not properly controlled, safeguarded, and disposed of. The Owners shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any environmental law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of hazardous substances that are generally recognized to be appropriate to maintenance of a Unit or the Property.

(b) Each Owner shall indemnify, defend and hold the Association and each and every other Owner harmless from and against any and all claims and proceedings (whether brought by private party or governmental agency) for bodily injury, property damage, abatement or remediation; environmental damage or impairment; or any other injury or damage resulting from, or relating to any hazardous substances located under or upon or migrating into, under, from, or through the Property, which the Association or the other Owners may incur due to the actions or omissions of an indemnifying Owner. The foregoing indemnity shall apply: (1) whether or not the release of the hazardous substances was caused by an indemnifying Owner, a tenant, invitee or otherwise of an indemnifying Owner; and (2) whether or not the alleged liability is attributable to the handling, storage, generation, transportation, or disposal of hazardous substances on the Property. The obligations of each Owner under this Section shall survive any subsequent sale by an indemnifying Owner.

(c) As used in this Section, "hazardous substances" are those substances defined as toxic or hazardous substances by environmental law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, ammonium sulfate, and radioactive materials. As used in this Section "environmental law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety, or environmental protection.

10.28 Smoke and Carbon Monoxide Detectors.

Each Unit shall have operable smoke and carbon monoxide detectors as required by

applicable building codes. The Management Committee may, but is not required to, upon advanced notice of at least forty-eight (48) hours, enter a Unit to ensure that the Unit is in compliance with this Section.

10.29 Sound Transmission.

Without the prior written consent of the Management Committee, no Unit shall be altered in any manner that would increase sound transmissions, resonances or reverberations to any adjoining Unit, including, but not limited to, the replacement, modification or penetration of any flooring or floor covering, ceiling or wall or the penetration of any wall, floor, or ceiling that increases sound transmissions, resonances, or reverberations to any other Unit. Owners of Units on the second-floor level and above shall not replace any carpeted area with hard surface floor coverings without the written consent of the Management Committee. Except for townhome Units, each Unit Owner shall cover one hundred percent (100%) of any hard surface floor area within the bedrooms of such Owner's Residential Unit with carpets and pads and shall cover a minimum of sixty percent (60%) of any other hard surface floor areas within the Owner's Unit (including kitchens, bathrooms, and main entry-ways) with area rugs or carpets and pads. The provisions of this Section shall not apply to (1) a multi-level Unit having at least one level of such Unit on the first floor of the building in which such Unit is located, (2) a Unit on the first floor of the building in which such Unit is located.

10.30 Solar Energy Systems.

Solar energy systems and attendant equipment shall be prohibited from being constructed or installed on any part of the Common Area in the Property, including roofs. Notwithstanding the forgoing, if the Management Committee elects to allow solar energy systems in the Property, then the Management Committee may adopt Rules and regulations for the installation and ongoing maintenance of solar panels or other energy conservation equipment. Any such Rules must require that the installation be an integral and harmonious part of the architectural design of the buildings. Owners shall be responsible for the costs of the installation, operation, and maintenance of each solar energy system. The Management Committee shall assess the costs incurred by the Association related to the installation, operation, and maintenance of an energy conservation system to the requesting Owner(s) or benefitted Owner(s) in the Management Committee's sole discretion. The costs to the Association arising under this Section shall be assessed and collected as an Individual Assessment.

10.31 Variances.

The Management Committee may, in its sole discretion, upon a showing of extenuating circumstances, grant variances from the Restrictions set forth in this Article if the Management Committee determines in its discretion: (1) that a Restriction would create an unreasonable hardship or burden on an Owner, Occupant, or Guest, (2) that a change of circumstances since the recordation of this Declaration has rendered such Restriction obsolete; or (3) that the activity permitted under the variance will not have any substantial adverse effect on the Association, the Owners, or the Occupants of the Property and is consistent with the high quality of life intended for residents of the Property. Any such variance shall be unenforceable and without any effect

whatsoever unless reduced to writing and signed by every member of the then existing Management Committee. The Management Committee shall not have any right or authority to deviate from this Declaration except as specifically provided for in this provision. No Owner or any other person may rely upon any permission to deviate from this Declaration by anyone including any Member of the Management Committee or the entire Management Committee, unless it is reduced to writing and signed as required in this provision.

ARTICLE XI. INSURANCE

NOTICE: The Association's Insurance Policy does not cover the personal property or personal liability of the Owners or their Occupants.

11.1 Insurance.

The Management Committee shall obtain insurance as required in this Declaration, the Act, or other applicable laws. The Association may obtain insurance that provides more or additional coverage than the insurance required in this Declaration. Different policies may be obtained from different insurance carriers and standalone policies may be purchased instead of or in addition to embedded, included coverage, or endorsements to other policies. Insurance premiums purchased by the Association shall be a Common Expense.

11.2 Property Insurance.

The Association shall maintain a blanket policy of property insurance covering the entire Property, including the Common Area and all buildings including the Units, fixtures, and building services equipment as provided in the Act. The Association may maintain broader coverage if afforded by the insurance contract.

- (a) The blanket policy shall exclude land and other items not normally and reasonably covered by such policies. The blanket policy shall be an "all in" or "all inclusive" insurance as those terms are used in the insurance industry and shall include insurance for any fixture, improvement, or betterment installed in or to the Unit, or otherwise permanently part of or affixed to Common Areas, or Units, including but not limited to floor coverings, cabinets, light fixtures, electrical fixtures, heating and plumbing fixtures, paint, wall coverings, windows.
- (b) At a minimum, the blanket policy shall afford protection against loss or damage by: (1) fire, windstorm, hail, riot, aircraft, vehicles, vandalism, smoke, and theft; and (2) all perils normally covered by "special form" property coverage.
- (c) The blanket policy shall be in an amount not less than one hundred percent (100%) of current replacement cost of all property covered by such policy (including the Units) at the time the insurance is purchased and at each renewal date. The actual replacement cost of the property shall be determined by using methods generally accepted in the insurance industry.

(d) The blanket policy shall include either of the following endorsements to assure full insurable value replacement cost coverage: (1) a Guaranteed Replacement Cost Endorsement under which the insurer agrees to replace the insurable property regardless of the cost; and (2) a Replacement Cost Endorsement under which the insurer agrees to pay up to one hundred percent (100%) of the Property's insurable replacement cost but not more. If the policy includes a coinsurance clause, it must include an Agreed Amount Endorsement which must waive or eliminate the requirement for coinsurance.

(e) Each property policy that the Association is required to maintain shall also contain or provide for the following: (1) "Inflation Guard Endorsement," if available, (2) "Building Ordinance or Law Endorsement," (the endorsement must provide for contingent liability from the operation of building laws, demolition costs, and increased costs of reconstruction), and (3) "Equipment Breakdown," if the Property has central heating or cooling or other equipment or other applicable fixtures, equipment, or installation, which shall provide that the insurer's minimum liability per accident at least equals the lesser of two million dollars (\$2,000,000) or the insurable value of the building containing the equipment.

11.3 Owner Responsibility for Payment of Deductible.

If a loss occurs that is covered by a property insurance policy in the name of the Association and another property insurance policy in the name of an Owner:

- (a) The Association's policy provides primary insurance coverage;
- (b) the Owner is responsible for the Association's policy deductible; and
- (c) the Owner's policy, if any, applies to that portion of the loss attributable to the Association's policy deductible.

An Owner that has suffered damage to any combination of a Unit or a Common Area appurtenant 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 Unit Damage for that Unit to the amount of the deductible under the Association's property insurance policy; and if an Owner does not pay the amount required under this Subsection within 30 days after substantial completion of the repairs to, as applicable, the Unit or the Common Area appurtenant to the Unit, the Association may levy an assessment against the Owner for that amount.

11.4 Claims Under the Deductible.

If, in the exercise of its business judgment, the Management Committee determines that a claim is likely not to exceed the Association's policy deductible, then: (1) the Owner's policy is considered the policy for primary coverage up to the amount of the Association's policy deductible; (2) 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 (3) the Association need not tender the claim to the Association's insurer.

11.5 Deductible Notice.

The Association shall provide notice to each Owner of the Owner's obligation under Subsection (2) above 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. The Association shall have no obligation to obtain or maintain any insurance covering Owners' personal and real property, and each Owner shall be responsible for obtaining and maintaining such personal and real property insurance.

11.6 Comprehensive General Liability (CGL) Insurance.

The Association shall obtain CGL insurance insuring the Association, the agents and employees of the Association, and the Owners, against liability incident to the use, ownership, or maintenance of the Common Area or membership in the Association. The coverage limits under such policy shall not be less than Two Million Dollars (\$2,000,000.00) covering all claims for death of or injury to any one person or property damage in any single occurrence. Such insurance shall contain a Severability of Interest Endorsement or equivalent coverage which should preclude the insurer from denying the claim of an Owner because of the negligence acts of the Association or another Owner.

11.7 Director's and Officer's Insurance.

The Association shall obtain Directors' and Officers' liability insurance protecting the Management Committee, the officers, and the Association against claims of wrongful acts and mismanagement. To the extent reasonably available, this policy shall include coverage for: (1) failure to maintain adequate reserves, (2) failure to maintain books and records, (3) failure to enforce the Governing Documents, (4) breach of contract, (5) volunteers and employees, (6) monetary and non-monetary claims, (7) claims made under fair housing act or similar statutes or that are based on discrimination or civil rights claims, and (8) defamation.

11.8 Theft and Embezzlement Insurance.

The Association may obtain insurance covering the theft or embezzlement of funds by Member of the Management Committees, officers, employees, Manager, and contractors of the Association in the discretion of the Management Committee.

11.9 Earthquake and Flood Insurance.

The Association may obtain earthquake insurance and flood insurance, not otherwise covered in the blanket insurance, as the Management Committee deems appropriate.

11.10 Worker's Compensation Insurance.

The Association shall purchase and maintain in effect workers' compensation insurance for all employees of the Association to the extent that such insurance is required by law and as the Management Committee deems appropriate.

11.11 Certificates.

Any insurer that has issued an insurance policy to the Association shall issue a certificate of insurance to the Association and, upon written request, to any Owner or Mortgagee.

11.12 Named Insured.

The named insured under any policy of insurance shall be the Association. Each Owner shall also be an insured under the Association's insurance policies as required by law.

11.13 Right to Negotiate Claims & Losses & 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 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 the Owner.

11.14 Insurance Trustee.

In the discretion of the Management Committee or upon written request executed by Owners holding at least 50% of the entire voting interest of the Association, the Management Committee shall hire and appoint an Insurance Trustee, with whom the Association shall enter an

insurance trust agreement, for the purpose of exercising such rights as the Owners or Management Committee (as the case may be) shall require.

11.15 Owner Act Cannot Void Coverage Under Any Policy.

Unless an Owner is acting within the scope of the Owner's authority on behalf of the Association and under direct authorization of the Association, an Owner's act or omission may not void an insurance policy or be a condition to recovery under a policy.

11.16 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.

11.17 Applicable Law.

This Declaration is specifically subjecting the Association to the insurance requirements and provisions in §57-8-43 of the Act, and any amendments thereto and thereafter enacted by law. It is the intent of this provision that any future changes to the insurance law applicable to condominium associations shall apply to this Association.

ARTICLE XII DESTRUCTION OF IMPROVEMENTS

12.1 Reconstruction.

In the event of partial or total destruction of a building or buildings or any portion of the Common Area within the Property, the Management Committee shall promptly take the following actions:

- (a) The Management Committee shall ascertain the cost of reconstruction by obtaining fixed price bids from reputable contractors, including the obligation to obtain performance and lien payment bonds.
- (b) The Management Committee shall determine the amount of insurance proceeds, if any, payable by contacting the appropriate representative of the insurer carrying the policy covering the Property.
- (c) Pursuant to §57-8-30 of the Act, if the insurance proceeds are sufficient to reconstruct the building, such proceeds shall be applied to such reconstruction.
- (d) If the Management Committee determines: (i) that insurance proceeds will cover eighty-five percent (85%) or more, but not all, of the estimated cost of reconstruction, or (ii) that available insurance proceeds together with available reserves and a special Assessment equal to twenty-five percent (25%) or less of the then aggregate Annual Assessments for all Units will completely cover the estimated cost of reconstruction, then the Management Committee shall cause notice to be sent to all Owners and to all

Lenders encumbering Units within the Property setting forth such findings and informing the Owners and Lenders that the Management Committee intends to commence reconstruction pursuant to this Declaration. In the event that Owners representing at least twenty percent (20%) of the Allocated Interests object in writing to such reconstruction as indicated in such notice, the Management Committee shall call a Special Meeting of the Owners pursuant to Section 12.2. In the event that the foregoing requirements are satisfied and the requisite number of Owners do not object in writing to such reconstruction, the Management Committee shall cause reconstruction to take place as promptly as practicable thereafter. In connection with such reconstruction, the Management Committee shall levy a uniform Special Assessment against each Owner at such time and in such amount as the Management Committee shall determine is necessary to cover the costs of reconstruction in excess of insurance proceeds and available reserves.

(e) If the Management Committee determines that any Unit is uninhabitable by reason of its total or partial destruction, the Management Committee may abate Assessments against the Owner thereof until the Management Committee determines that habitability has been restored.

12.2 Reconstruction by Vote.

If reconstruction is not to take place pursuant to Section 12.1, as soon as practicable after the same has been determined, the Management Committee shall call a Special Meeting of the Owners. Such meeting shall be held not less than ten (10) days and not more than sixty (60) days after the date of such notice. Unless the Owners, by a vote at such meeting or by the written consent of not less than seventy-five percent (75%) of the Allocated Interests (including every Owner of a Unit or an allocated Limited Common Area that will not be rebuilt) determine not to proceed with such reconstruction, reconstruction must take place and the Management Committee shall levy a uniform Special Assessment against each Owner at such time and in such amount as the Management Committee shall determine is necessary to cover the costs of reconstruction in excess of insurance proceeds and available reserves.

12.3 Procedure for Reconstruction.

If the Association elects to reconstruct, then the Management Committee shall contract with a licensed contractor or contractors to rebuild or repair such damaged or destroyed portions of the Property in conformance with the original plans and specifications, or if the Management Committee determines that adherence to such original plans and specifications is impracticable or is not in conformance with applicable laws, ordinances, building codes or other governmental rules or regulations then in effect, then such repairs or rebuilding shall be of a kind and quality substantially equivalent to the original construction of such improvements. The Management Committee may employ a licensed architect to supervise the repair and rebuilding to ensure that all work, services, and supplies are in conformity with the requirements of the construction contract.

12.4 Determination not to Reconstruct without Termination.

If Owners of seventy-five percent (75%) or more of the Allocated Interests vote not to rebuild, and the entire Property is not repaired or replaced, and the Property is not terminated in accordance with the Act, the insurance proceeds shall be distributed as provided by the Act and the Allocated Interests are automatically reallocated as provided by the Act. In such event, the Association shall promptly prepare, execute, and record an amendment to the Declaration reflecting the reallocations.

12.5 Negotiations with Insurer.

The Association, via the Management Committee or its designee, shall have full authority to negotiate in good faith with representatives of the insurer of any totally or partially destroyed building or any other portion of the Common Area, and to make settlements with the insurer for less than full insurance coverage on the damage to such building or any other portion of the Common Area. Any settlement made by the Association in good faith shall be binding upon all Owners and Lenders.

12.6 Repair of Units.

Unless covered by the Association's insurance policy, the installation of improvements to, and repair of any damage to, the interior of a Unit shall be made by and at the individual expense of the Owner of that Unit and, in the event of a determination to reconstruct after partial or total destruction, shall be completed as promptly as practicable and in a lawful and workmanlike manner.

12.7 Priority.

Nothing contained in this Article shall entitle an Owner to priority over any Lender under a lien encumbering the Owner's Unit as to any portion of insurance proceeds allocated to such Unit.

ARTICLE XIII. EMINENT DOMAIN

13.1 Taking of a Unit.

If a Unit is taken by eminent domain, or sold under threat thereof, then that Unit's Allocated Interest in the Common Area shall automatically be reallocated to the remaining Units in proportion to their respective interests immediately before the taking. Upon such a taking, the Association shall prepare, execute and record an amendment to the Declaration in compliance with the Act. Any remnant of a Unit remaining after part of a Unit is taken shall become part of the Common Area. If only part of a Unit is taken by eminent domain, or sold under threat thereof, so that such Unit may still be practically and lawfully used as a Unit under this Declaration, that Unit's Allocated Interest in the Common Area shall remain unchanged.

13.2 Taking of Common Area.

If the portion of the Property taken by eminent domain, or sold under threat thereof, is Common Area, the Committee shall cause the award to be utilized for the purpose of repairing or restoring the portion of the Property so taken, and the portion of the award not used for restoration shall be deposited into the Association's general fund.

13.3 Power of Attorney.

Each Owner hereby appoints the Association as attorney-in-fact for the purpose of negotiations and settlement with the condemning authority for the acquisition of the Common Area, or any part thereof. In the event the taking involves all or part of any Common Area the award or proceeds shall be payable to the Association for the use and benefit of the Owners and their Lenders as their interests may appear. This power-of-attorney is coupled with an interest, shall be irrevocable, and shall be binding on any heirs, personal representatives, successors or assigns of an Owner.

ARTICLE XIV. RIGHTS OF LENDERS

14.1 First Mortgage.

Any first mortgagee who obtains title to a Unit pursuant to the remedies provided in the mortgage or foreclosure of the mortgage will not be liable for such Unit's Assessments or charges which accrue prior to the acquisition of title of such Unit by the Lender. However, such first mortgagee shall be responsible for all Assessments levied while it holds title to the Unit.

14.2 Priority of Lenders.

No breach of the Restrictions herein contained, nor the enforcement of any lien provision herein, shall affect, impair, defeat, or render invalid the lien of any Lender recorded prior to the Association's notice of lien, but all of such Restrictions shall be binding upon and effective against any Owner whose title to a Unit is derived through foreclosure or trustee's sale, or otherwise.

14.3 Relationship with Assessment Liens.

The lien provided for in Article VII for the payment of Assessments shall be subordinate to the lien of any Lender that was recorded prior to the date any such Assessment becomes due. Any Lender of a first mortgage who obtains title to a Unit by reason of any foreclosure, or deed or assignment in lieu of foreclosure, or any Person who obtains title at a private or judicial foreclosure sale, shall take title to such Unit free of any lien or claim for unpaid Assessments against such Unit that accrued prior to the time such Lender or purchaser takes title to such Unit, except for liens or claims for a share of such Assessments resulting from a pro rata reallocation of such Assessments to all Units within the Property.

14.4 Other Rights.

Any Lender (and such Lender's insurer or guarantor) shall, upon written request to the Association, be entitled: (1) to inspect current copies of the Governing Documents and other books and records of the Association during normal business hours; (2) to receive the most recent annual financial statement of the Association; (3) to notification of damage to a Unit covered by the Lender; and (4) any eminent domain proceedings of a Unit or interest covered by the Lender.

14.5 Department of Veterans Affairs Loans.

Notwithstanding anything herein to the contrary, to the extent that any provision set forth in the Declaration, Bylaws, and/or Rules and Regulations is inconsistent with the requirement(s) of guaranteed or direct loan programs of the United States Department of Veterans Affairs, as set forth in Chapter 37 of Title 38 of the United States Code, or Part 36 of Title 38 of the Code of Federal Regulations ("OVA Financing"), such provision shall not apply to any Unit that is (1) encumbered by OVA Financing, or (2) owned by the Department of Veterans Affairs.

ARTICLE XV. AMENDMENTS

15.1 Amendments.

This Declaration may be amended upon the affirmative vote of at least sixty-seven percent (67%) of the Allocated Interests of the Association. No meeting shall be required for an amendment if the required vote for approval is obtained by written consent or ballot. The amendment(s) shall be effective upon recordation in the office of the Salt Lake County Recorder. In such instrument the Management Committee shall certify that the vote required by this Section for amendment has occurred. If a Unit is owned by more than one Owner, the vote of any one Owner shall be sufficient to constitute approval for that Unit under this Section. If a Unit is owned by an entity or trust, the vote of any one officer, trustee, or agent of the entity shall be sufficient to constitute approval for that Unit under this Section. No acknowledgment of any signature used for voting shall be required.

ARTICLE XVI. DISPUTE RESOLUTION

16.1 Alternative Dispute Resolution Without Litigation.

(a) Bound Parties. The Declarant; the Association; the Owners; the officers, directors, managers, members, employees, representatives, agents, successors and assigns of any of the foregoing; any other person subject to this Declaration; and any other person not otherwise subject to this Declaration who agrees to submit to this Article (collectively, "Bound Parties") agree that it is in the best interest of all Bound Parties to encourage the amicable resolution of Claims without the emotional and financial costs of litigation or the toll or market taint such litigation can have on the value of the Property and/or the Units that may be involved or impacted. Accordingly, each Bound Party agrees not to file

suit in any court with respect to a Claim described in subsection (b), unless and until it has first submitted such Claim to the alternative dispute resolution procedures set forth in Section 16.2 in a good faith effort to resolve such Claim.

(b) Claims. As used in this Article, the term "Claim" means any claim, grievance, or dispute arising out of or relating to:

- (i) the interpretation, application, or enforcement of the Governing Documents;
- (ii) the rights, obligations, and duties of any Bound Party under the Governing Documents; or
- (iii) the design or construction of improvements on the Property, other than matters of aesthetic judgment to be determined by the Association, which shall not be subject to review and shall not be subject to this Article.

(c) Exclusion from Definition of Claims. The following shall not be considered "Claims" unless all Parties to the matter otherwise agree to submit the matter to the procedures set forth in Section 16.2:

- (i) any suit by the Association to collect assessments or other amounts due from any Owner;
- (ii) any suit by the Association to obtain a temporary restraining order (or emergency equitable relief) and such ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association's ability to enforce the provisions of this Declaration (relating to Architectural Control);
- (iii) any suit that does not include the Declarant, any affiliate of the Declarant, or the Association as a party, if such suit asserts a Claim that would constitute a cause of action independent of the Governing Documents;
- (iv) any dispute that affects the material rights or obligations of a party who is not a Bound Party and has not agreed to submit to the procedures set forth in Section 16.2;
- (v) any suit as to which any applicable statute of limitations would expire within 180 days of giving the Notice required by Section 16.2(a), unless the party or parties against whom the Claim is made agree to toll, or extend, the Claim's statute of limitations to comply with this Article; and
- (vi) any suit or dispute involving a governmental entity as a party.

16.2 Dispute Resolution Procedures.

(a) Notice. The Bound Party asserting a Claim ("Claimant") against another Bound Party ("Respondent") shall give written notice ("Notice") by mail or personal delivery 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;
- (iv) that the person alleged to be responsible for the acts giving rise to the Claim shall have six (6) months to cure or resolve the Claim; and
- (v) the Claimant's desire to meet with the Respondent to discuss, in good faith, ways to resolve the Claim.

(b) Right to Cure. For any Claim arising from a dispute over the construction of improvements within the Property, the Claimant shall provide Respondent six (6) months to rectify alter, or fix the claimed defect(s) in the improvements. The expiration of this six-month cure period shall be a prerequisite to Claimant's ability to initiate litigation as permitted under Section 16.3 below.

(c) Negotiation. The Claimant and Respondent shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation. If requested in writing, accompanied by a copy of the Notice, the Management Committee may appoint a representative to assist the parties in negotiating a resolution of the Claim.

(d) Mediation. If the parties have not resolved the Claim through negotiation within 30 days of the date of the Notice (or within such other agreed upon period), the Claimant shall have thirty (30) additional days to submit the Claim to mediation with an individual or entity designated by the Association (if the Association is not a party to the Claim) or to an independent mediator providing dispute resolution services predominately in Utah. Each Bound Party shall present the mediator with a written summary of the Claim or will otherwise comply with the mediator's proscribed procedures and requirements for mediating claims.

- (i) Waiver of Claim for Failure to Appear or Participate. If the Claimant does not submit the Claim to mediation within such time, or does not appear for and participate in good faith in the mediation when scheduled, 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 third parties) on account of such Claim.

(ii) Termination of Mediation Proceedings. If the parties do not settle the Claim within thirty (30) days after submission of the matter to mediation, or within such time as determined 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 the date that mediation was terminated. The Claimant shall thereafter be entitled to file suit or to initiate administrative proceedings on the Claim, as appropriate.

(iii) Costs of Mediation. Each Bound Party shall bear its own costs of the mediation, including attorney fees, and each Party shall pay an equal share of the mediator's fees.

(e) Settlement. Any Claim settlement through negotiation or mediation shall be documented in writing and signed by the Parties. If any Party thereafter fails to abide by the terms of such agreement, then any other party may file suit or initiate such proceedings as are necessary to enforce such agreement without the need to comply again with the procedures set forth in this Article. In such event, the party taking action to enforce the agreement or award shall, upon prevailing, be entitled to recover from the non-complying party (or if more than one non-complying party, from all such parties in equal proportions) all costs incurred in enforcing such agreement or award, including, without limitation, attorney fees and court costs.

16.3 Informed Vote.

Before the Owners, as members of the Association may vote to approve any claim of legal action as contemplated in this Article, the Association shall first provide each Owner with:

- (a) A written notice stating:
 - (i) that the Association is contemplating legal action;
 - (ii) the percentage vote required for approval of the litigation;
 - (iii) the date, time, and location of any Owner meeting that has been scheduled to discuss the litigation or to vote on the approval of the litigation;
 - (iv) a description of the claims that the Association desires to pursue in sufficient detail to permit each Owner to reach an informed decision on the litigation matter; and
- (b) A written report from an attorney licensed to practice in Utah, which provides an assessment of:
 - (i) The likelihood that the legal action will succeed;

- (ii) The likely amount in controversy in the legal action;
 - (iii) The likely cost of resolving the legal action to the Association's satisfaction; and
 - (iv) The likely effect the stigma of a legal action will have on value or on an Owner's ability to market for sale, or a prospective Unit buyer's ability to obtain financing for a Unit due to a pending legal action.
 - (v) In providing this report, the attorney may obtain and rely on reports and assessments from experts in their field such as construction, real property, sales, or any other relevant factor in the contemplated litigation.
- (c) Before the Association commences any legal action as authorized above, the Association shall:
- (i) allocate an amount equal to 10% of the cost estimated to resolve the legal action not including attorney fees; and
 - (ii) place the 10% allocated funds in a trust account that the Association may only use to pay the costs to resolve the legal action.

Section 16.3 does not apply to an Association that brings a legal action that has an amount in controversy of less than \$25,000.00.

16.4 Strict Compliance Required.

Any post-turnover litigation involving the Bound Parties shall strictly comply with each of the provisions in this Article. The Bound Parties hereby covenant, stipulate, and agree that in the event the Bound Parties fail to satisfy the prerequisites set forth herein, the non-compliant Party will indemnify, defend, hold harmless, and exculpate the other Bound Party to the fullest extent permissible by law, and the non-breaching Bound Party shall be entitled to recover any and all attorney fees and costs expended as a result of enforcing this Article, which fees and costs may include, without limitation, pre-litigation attorney fees, costs incurred in connection with investigation of potential claims, including expert and consultant fees, testing fees, contractor fees, and insurance deductibles. If any claims or actions falling within the scope of this Article are filed without satisfying all of the requirements set forth above, such claims or actions shall be dismissed without prejudice and shall not be re-filed unless and until all such requirements have been satisfied.

16.5 No Owner Action.

Unless specifically set forth in this Declaration, no action may be brought by the Association, its Management Committee, or its Officers on behalf of an individual Owner or individual Owners, as its respective interest may appear, with respect to any cause of action

relating to the Common Areas and facilities.

16.6 Dispute Resolution Agreement.

ALL PARTIES HEREBY AGREE TO RESOLVE ANY CLAIM ACCORDING TO THE PROVISIONS OF THIS ARTICLE AND SUCH PARTIES WAIVE THEIR RESPECTIVE RIGHTS TO PURSUE THE CLAIM IN ANY MANNER OTHER THAN AS PROVIDED IN THIS ARTICLE.

ARTICLE XVII. GENERAL PROVISIONS

17.1 Compliance with Restrictions and Rules.

Each Owner and Occupant shall comply with the Restrictions imposed by this Declaration. Further, each Owner, Occupant, and guest shall fully and faithfully comply with the Association's Rules and Restrictions and shall be personally, jointly, and severally liable for any fines for violations thereof.

17.2 Enforcement.

The Association or any Owner shall have the right to enforce, by proceedings at law or in equity, all Restrictions and other provisions now or hereafter imposed by this Declaration, or any amendments thereto, including the right to prevent the violation of any such Restrictions, and the right to recover damages and other sums for such violation. The Association or any Owner shall also have the right to enforce by proceedings at law or in equity the provisions of the Bylaws and the Rules and any respective amendments thereto.

17.3 No Waiver.

Failure by the Association or by any Owner to enforce any Restriction or provision herein contained, or contained in the Bylaws or the Rules, in any certain instance or on any particular occasion shall not be deemed a waiver of such right of enforcement as to any such future breach of the same or any other Restriction or provision.

17.4 Cumulative Remedies.

All rights, options, and remedies of the Association, the Owners, or the Lenders under this Declaration are cumulative, and no one of them shall be exclusive of any other, and the Association, the Owners, and the Lenders shall have the right to pursue any one or all of such rights, options, and remedies or any other remedy or relief that may be provided by law, whether or not stated in this Declaration.

17.5 Severability.

Invalidation of any one or a portion of the Restrictions or provisions set forth in this Declaration by judgment or court order shall in no way affect any other Restrictions or

provisions contained herein, which shall remain in full force and effect.

17.6 Covenants to Run with the Land.

The Restrictions and other provisions of this Declaration shall run with and bind the Property as equitable servitudes and also as covenants running with the land and shall inure to the benefit of and shall be enforceable by the Association or any Owner, their respective legal representatives, heirs, and successors. By acquiring any interest in a Unit, or in a Limited Common Area, or in the Common Area, such Owner consents to, and agrees to be bound by, each and every provision of this Declaration.

17.7 Nuisance.

The result of every act or omission whereby any provision or Restriction contained in this Declaration or any provision contained in the Bylaws or the Rules is violated, in whole or in part, is hereby declared to be and shall constitute a nuisance, and every remedy allowed at law or in equity against a nuisance, either public or private, shall be applicable with respect to the abatement thereof and may be exercised by the Association or any Owner. Such remedy shall be deemed cumulative to all other remedies set forth in this Declaration and shall not be deemed exclusive.

17.8 Attorney Fees.

If the Association obtains legal counsel to enforce any of the provisions contained in this Declaration or other Governing Documents, the Association may assess all reasonable attorney fees, fines, and costs associated with such legal counsel to the party against whom enforcement is sought as an Individual Assessment, regardless of whether a lawsuit is initiated. The term "costs" as used in this Section shall include all costs including but not limited to copying costs, deposition costs, expert witness fees, investigative costs, service costs, and filing fees paid to courts. "Costs" is specifically defined in this Section to be broader and to include costs that are not included in costs as the term is used in the Utah Rules of Civil Procedure.

17.9 Notices.

Any notice required or permitted to be given to any Owner according to the provisions of this Declaration shall be deemed to have been properly furnished if personally delivered, emailed, or mailed via USPS to the Person who appears as an Owner in the records of the Association at the time notice is sent. Email shall be the primary means for delivering notice, and it is the responsibility of each Owner to provide an accurate email address to the Association for notice purposes. If no email or mailing address has been provided, the physical address of the Unit owned by said Owner shall be used for notice purposes. Unless a Unit Owner notifies the Association in writing that they desire to receive notices via USPS mail, each Owner shall provide to the Management Committee, or the Association's Manager, an email address that the Association may use to affect notice as described herein. Any notice sent via email shall be deemed to be delivered once the notice has been sent to the email address on file with the Association. Any notice sent by mail shall be deemed delivered when deposited in the United

States mail. In the case of co-Owners, any such notice may be delivered or sent to any one of the co-Owners on behalf of all co-Owners and shall be deemed delivered to all such co-Owners. A copy of the notice and the declaration of an officer or authorized agent of the Association declaring under penalty of perjury that a notice has been sent to any Owner or Owners, in any manner that this Section allows, shall be deemed conclusive proof of such delivery. Notice to the Association shall be delivered by registered or certified United States mail postage prepaid, addressed to the Registered Agent with the Utah Department of Commerce; or if there is none, to the President of the Association. The Association shall have the right to designate an email or USPS mailing address for receipt of notices hereunder by Rule.

17.10 Effect of Declaration.

This Declaration is made for the purposes set forth in the recitals in this Declaration and the Association makes no warranties or representations, express or implied, as to the binding effect or enforceability of all or any portion of this Declaration, or as to the compliance of any of these provisions with public laws, ordinances, regulations and the like applicable thereto. The Association shall have no liability whatsoever if any of the provisions of this Declaration, the Bylaws, or the Rules are determined to be unenforceable in whole or in part or under certain circumstances.

17.11 Use of Funds Collected by the Association.

All funds collected by the Association, including Assessments and contributions to the Association paid by the Owners, if any, shall be held by the Association in a fiduciary capacity to be expended in their entirety for nonprofit purposes of the Association in managing, maintaining, caring for, and preserving the Common Area and for other permitted purposes as set forth in this Declaration. No part of said funds shall inure to the benefit of any Owner (other than as a result of the Association managing, maintaining, caring for, and preserving the Common Area and other than as a result of expenditures made for other permitted purposes as set forth in this Declaration).

17.12 Consent in Lieu of Vote.

In any case in which this Declaration requires authorization or approval of a transaction by the assent or affirmative vote of a stated percentage of the votes present or represented at a meeting, such requirement may be fully satisfied by obtaining, with or without a meeting, consents in writing to such transaction from Members entitled to cast the required percentage of membership votes. The Association may use any method allowed under Utah law and the Utah Revised Nonprofit Corporation Act for voting or consent purposes.

17.13 Owner Liability and Indemnification.

Each Owner shall be liable to the remaining Owners and to the Association for any damage to the Common Area that may be sustained by reason of the negligence of that Owner or such Owner's family members, tenants, guests, or invitees. Each Owner, by acceptance of a deed for a Unit, agrees personally and for family members, tenants, guests, and invitees to indemnify

each and every other Owner, and to hold such other Owners harmless from, and to defend such Owners against, any claim of any person for personal injury or property damage occurring within the Unit of that particular Owner, including Limited Common Area, if any, except to the extent that: (a) such injury or damage is covered by liability insurance in favor of the Association or any other Owner, or (b) the injury or damage occurred by reason of the willful or negligent act or omission of the Association or other Owner or other Person temporarily visiting such Unit.

17.14 Conflicting Provisions.

In the case of any conflict between this Declaration and the Bylaws, or the Rules, this Declaration shall control. In the case of any conflict between this Declaration and the Act, to the extent the Act does not legally allow this Declaration to contain provisions contrary to the Act, the Act shall control and this Declaration shall be deemed modified accordingly. Notwithstanding the above, this Declaration shall be deemed modified only to the extent necessary to come into compliance with the Act.

17.15 Consent, Power of Attorney, Waiver.

By acceptance of a deed, lease or other conveyance of an interest in Unit, each Owner or Occupant of such Owner's Unit consents to the rights reserved to the Association in this Declaration, including but not limited to, the right to prepare, execute, file, process, and record necessary and appropriate documents and other items to establish and grant easements and to make necessary and appropriate amendments of this Declaration, the Plat, and the Bylaws. By such acceptance, each Owner or Occupant agrees to execute all documents and to do all other things as may be necessary or convenient to effect the same; and such acceptance shall be deemed an appointment of the Association, with full right of substitution, as the attorney-in-fact of such Owner or Occupant to execute such documents and to do such things on such Owner's or Occupant's behalf; and such appointment, being coupled with an interest, shall be irrevocable for the specific period of the Association's reserved rights as set forth in this Declaration and shall not be affected by the disability of any such Owner or Occupant.

17.16 Fair Housing Accommodations.

Notwithstanding anything to the contrary in this Declaration, the Association, upon receipt of a written opinion from its counsel that such action is required, may make or permit reasonable accommodations or modifications to the Property that are otherwise prohibited by the Governing Documents, as required under the Fair Housing Act, as amended, to accommodate a Person with a disability (as defined by Federal law at the time the accommodation is requested). Reasonable accommodations or modifications may include modifications to a Unit, the Common Area facilities and buildings, or deviations from provision of the Governing Documents. Any such modification and accommodation made under this Section shall not act as a waiver of the provisions of the Governing Documents with regard to any other Person or Owner.

17.17 Security.

The Association shall in no way be considered an insurer or guarantor of security within or relating to the Property, including any Common Area in which the Association may have an obligation to maintain, and the Association shall not be held liable for any loss or damage by reason of any failure to provide adequate security or any ineffectiveness of security measures undertaken. Owner or Occupant agree by purchasing a Unit in this Association that Association and the Declarant, are not insurers of the safety or well-being of Owners or Occupants or of their personal property, and that each Owner or Occupant assumes all risks for loss or damage to persons, the Units, the Common Area, and to the contents of improvements located thereon to the extent not insured by the Association as required by this Declaration.

17.18 No Warranty.

EACH OWNER AND OCCUPANT UNDERSTANDS AND ACKNOWLEDGES THAT THE ASSOCIATION AND THE DECLARANT HAVE NOT MADE ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND AND THAT EACH OWNER OR OCCUPANT HAS NOT RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO THE SECURITY OF THE PROPERTY.

17.19 Effective Date.

This Declaration, and any amendment or supplement hereto, shall take effect upon its being filed for record in the office of the Salt Lake County Recorder.

IN WITNESS WHEREOF, Declarant has executed and adopted this Declaration as of this 28 day of January, 2025.



Bob Burdette, President, Millcreek Meadows Owners Association.



Brian Barnett, Secretary/Treasurer, Millcreek Meadows Owners Association.

STATE OF UTAH)
 ss:
COUNTY OF SALT LAKE)

On the 27 day of January, 2025, personally appeared before me Bob Burdette, who by me being duly sworn, did say that he is the President of the HOMEOWNERS ASSOCIATION, and that the within and foregoing instrument was signed in behalf of said Association by authority of a resolution of its Board of Directors, and said Bob Burdette duly acknowledged to me that said Association executed the same.

WITNESS my hand and official seal.

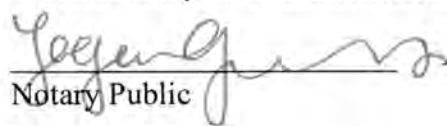

Notary Public



STATE OF UTAH)
 ss:
COUNTY OF SALT LAKE)

On the 28 day of January, 2025, personally appeared before me Brian Barnett, who by me being duly sworn, did say that he is the Secretary/Treasurer of the HOMEOWNERS ASSOCIATION, and that the within and foregoing instrument was signed in behalf of said Association by authority of a resolution of its Board of Directors, and said Brian Barnett duly acknowledged to me that said Association executed the same.

WITNESS my hand and official seal.


Notary Public

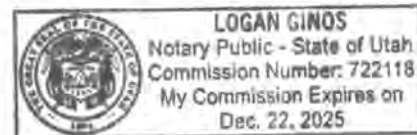


EXHIBIT A

PROPERTY DESCRIPTION

Real Property Description of Millcreek Meadows Condominiums

Beginning at a point West 792.00 feet and South 00 11'03" West 331.32 feet and North 89 58'09" West 33.00 feet from the Center of Section 32, Township 1 South, Range 1 East, Salt Lake Base and Meridian, said point also being North 00 11'03" East from a county monument located in the intersection of 3900 South and 900 East and running thence South 00 11'02" West 76.59 feet; thence North 89 58'00" West 764.99 feet; thence North 00 11'22" East 153.12 feet; thence South 89 58'18" East 764.98 feet; thence South 00 11'02" West 76.60 feet to the point of beginning.

Contains 2.69 acres.

EXHIBIT B

BYLAWS OF MILLCREEK MEADOWS OWNERS ASSOCIATION

**BYLAWS
OF
MILLCREEK MEADOWS**

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BYLAWS OF MILLCREEK MEADOWS

The Property located in Salt Lake County, Utah has been submitted to the provision of the Act by the Declaration being recording in the Salt Lake County Recorder's Office pursuant to the Utah Condominium Ownership Act and the Utah Revised Nonprofit Corporation Act (referred collectively herein as the "Acts").

RECITALS

A. The Association is organized for all lawful purposes for which a nonprofit corporation may be organized under the Utah Revised Nonprofit Corporation Act, as amended, subject to the terms and conditions contained in the Declaration and Articles of Incorporation.

B. These Bylaws are adopted to complement the Declaration, to further define the rights of the Association and the Owners, to provide for the ability to effectively govern and operate the Association and the Property known as Millcreek Meadows and, to further the Association's efforts to safely, efficiently, and economically provide a quality living environment.

ARTICLE I. DEFINITIONS

1.1 Recitals.

The foregoing Recitals set forth above are by this reference incorporated into this Agreement.

1.2 Definitions.

Except as otherwise provided herein or as may be required by the context, all capitalized terms used herein shall have the same meaning and effect as used and defined in the Declaration of Covenants, Conditions, and Restrictions for Millcreek Meadows.

ARTICLE II. APPLICATION

2.1 Application.

All present and future Owners, Mortgagees, Occupants, and their invitees and guests, and any other persons who may use the facilities of the Property in any manner are subject to these Bylaws, the Declaration, and Rules. The mere acquisition or rental of any of the Units or the mere act of occupancy or use of any said Units or the Common Areas will signify that these Bylaws, the Declaration, and the Rules are accepted, ratified, and will be complied with by said persons.

ARTICLE III. OWNERS

3.1 Association Composition.

All of the Owners, acting as a group in accordance with the Act, the Declaration and these By-laws, shall constitute the Association.

3.2 Annual Meetings.

The Annual Meeting of the Owners shall be held each year on the second Tuesday in February. If such a day is a holiday, the meeting will be held on the next business day thereafter. The purposes of the Annual Meeting may include the election of Committee Members, the distribution of financial reports and budget, a review of any revisions to the Rules, distributing the most recent reserve study, and to transact such other business as may come before the meeting. If the election of Committee Members cannot be held during the Annual Meeting, or at any adjournment thereof, the Committee shall cause the election to be held either at a Special Meeting of the Owners to be convened as soon thereafter as may be convenient or at the next Annual Meeting. The Committee may from time to time by resolution change the month, date, and time for the Annual Meeting.

3.3 Special Meetings.

Special Meetings of the Owners may be called by a majority of the Committee, the President, or upon the written request of Owners holding not less than forty percent (40%) of the voting interests of the Association. Any written request for a Special Meeting presented by the Owners shall be delivered to the President and shall include the original signature of each Owner affirmatively supporting such request along with a complete statement of the purpose of the meeting on each page containing signatures. The President shall then call, provide notice of, and conduct a Special Meeting within 45 days of receipt of the Owner request.

3.4 Place of Meetings.

The Committee may designate any place in Salt Lake County that is reasonably convenient for the Owners as the place of meeting for any Annual or Special Meeting. If no designation is made, or if a Special Meeting is otherwise called, the place of the meeting shall be held at the office of the Association or its Manager.

3.5 Notice of Meetings.

The Committee shall cause written or printed notice of the date, time, and place (and in the case of a Special Meeting, the purpose or purposes) for all Owner meetings. Such written or printed notice shall be delivered to each Owner of record entitled to vote at such meeting not more than sixty (60) nor less than ten (10) days prior to the meeting. Such notice may be sent via email, text, hand-delivery, or regular mail. If sent by email or text, such notice shall be deemed delivered and effective on the date transmitted to the Owner's email address or telephone number registered with the Association. If mailed, such notice shall be deemed to be delivered and

effective on the date deposited in the U.S. mail if addressed to the Owner's address registered with the Association. Each Owner shall register with the Association such Owner's current email address, phone number, and mailing address for purposes of notice hereunder. Such registered email, phone number, and mailing address may be changed from time to time by notice in writing to the Association. If no address is registered with the Association, an Owner's Residence shall be deemed to be the Owner's registered address and notice to the Residence address may be made by first-class mail or by posting the meeting notice on the front door. An Owner may opt out of receiving notices from the Association via email or text by giving written notice to the Committee stating that the Owner will not accept notices by way of email or text.

3.6 Qualified Voters.

An Owner shall be deemed to be in "good standing" and "entitled to vote" at any meeting of the Association if he or she has fully paid his or her share of any Assessment (together with any interest and/or late fees) at least 48 hours prior to the commencement of the meeting and is not in violation of any provision of the Governing Documents.

3.7 Record Date for Notice Purposes.

The Committee may designate a record date, which shall not be more than sixty (60) nor less than ten (10) days prior to the meeting, for the purpose of determining Owners entitled to notice of any meeting of the Owners. If no record date is designated, the last date on which a notice of the meeting is mailed or delivered shall be deemed to be the record date for determining Owners entitled to notice. The Persons appearing in the records of the Association on such record date as the Owners of record of Units in the Property shall be deemed to be the Owners of record entitled to notice of the Owner meeting.

3.8 Quorum.

At any Owner meeting, the number of Owners present, either in person or by proxy shall constitute a quorum for the transaction of business.

3.9 Proxies.

At each Owner meeting, each Owner entitled to vote shall be entitled to vote in person or by proxy, provided, however, that the right to vote by proxy shall exist only where the instrument authorizing such proxy to act shall have been signed by the Owner or by the Owner's attorney. A proxy may be written on paper or received via email, facsimile, text, or any other electronic or physical means. A signature as required herein shall mean any indication that the document is from and consented to by the person who is purported to have sent it. If a Unit is jointly owned, the instrument authorizing a proxy to act may be executed by any one (1) Owner of such Unit or the Owner's attorney when duly authorized in writing. A proxy given by an Owner to any person who represents the Owner at meetings of the Association shall be in writing, dated, and signed by such Owner. Such instrument may allow the proxy to vote on any issue arising at any particular meeting or meetings, or may set forth the specific matters or issues upon which the proxy is authorized to act. Proxies shall be filed with the Secretary (or with such

other officer or person who may be acting as Secretary of the meeting) before the meeting is called to order. The Secretary shall record all proxies in the meeting minutes. After a proxy is filed with the Secretary such proxy is only revocable by actual notice to the person presiding over the meeting by the Owner or the Owner's attorney. Any proxy shall terminate upon the adjournment of the meeting held after the proxy is filed with the Secretary.

3.10 Votes.

With respect to each matter submitted to an Owner vote, each Owner entitled to vote at the meeting shall have the right to cast, in person or by proxy, one (1) vote appertaining to the Unit(s) of such Owner. The affirmative vote of a majority of the votes entitled to be cast by the Owners present or represented by proxy at a meeting at which a quorum was initially present shall be necessary for the adoption of any matter voted on by Owners, unless a greater proportion is required by the Articles of Incorporation, these Bylaws, or the Declaration. When a Unit is jointly owned, any Owner may exercise the vote for such Unit on behalf of all Co-Owners of the Unit. In the event of two (2) conflicting votes by Co-Owners of one Unit, no vote shall be counted for that Unit. In no event shall fractional or cumulative votes be exercised with respect to any Unit.

3.11 Waiver of Irregularities.

All inaccuracies and irregularities in calls or notices of meetings and in the manner of voting, in the form of proxies and the method of ascertaining Owners present, and in the decision and votes of the Committee or of the Owners shall be deemed waived by those Members in attendance if no objection is made at the meeting. For those Members who are not in attendance at the meeting, the right to challenge inaccuracies and irregularities in calls, notices, voting, and decisions shall be waived if no objection is made within thirty (30) days of the date of the meeting.

3.12 Action Taken Without a Meeting.

Owners have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of Owners in accordance with the requirements of Utah Code §16-6a-707 or §16-6a-709 and any other applicable section of the Acts as amended. Any action so approved shall have the same effect as though taken at an Owner meeting. Ballots or written consents may be obtained via any electronic or physical means including but not limited to email, facsimile, text, or paper document.

3.13 Minutes of Meetings.

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

minutes for each annual meeting of the Owners shall be available to requesting Owners within thirty (30) days of the annual meeting.

3.14 Order of Business.

The order of business at all meetings of the Association shall be as follows: (1) roll call; (2) proof of notice of meeting; (3) reading of minutes of preceding meeting; (4) reports of officers; (5) report of special committees if any; (6) election of Committee Members or any other election, if any; (7) unfinished business; and (8) new business.

3.15 Presiding.

The President shall, or in his/her absence the Vice-President, preside over all meetings of the Association.

ARTICLE IV. MANAGEMENT COMMITTEE

4.1 Powers.

The Property and the business and affairs of the Association shall be governed and managed by the Managing Committee. The Committee may exercise business judgment and all of the powers of the Association, whether derived from the Declaration, these Bylaws, the Articles, or the Acts, except such powers that the Declaration, these Bylaws, the Articles, and the Acts vest solely in the Owners. The Management Committee may engage the services of a Manager.

4.2 Number and Qualifications.

The Managing Committee shall be composed of five (5) persons. Committee Members must be at least 18 years old and must be an Owner or the spouse of an Owner of a Unit in the Project. No two (2) Committee Members may reside in the same Unit or be business partners if the business is related to their ownership of a single Unit. If an Owner is a corporation, partnership, limited liability company, or trust, an officer, partner, member, manager, agent, trustee, or beneficiary of such Owner may be a Committee Member. If a Committee Member ceases to meet any required qualifications during the Committee Member's term, such Person's membership on the Committee shall automatically terminate.

4.3 Election.

The election of Committee Members shall be made by the Owners. At such election, the Owners or their proxies may cast, with respect to each vacancy, one (1) vote per unit owned. The Association may accept written ballots for Committee Member election voting purposes from those Members unable to attend a meeting in which an election is held. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

4.4 Term of Office.

The Owners shall elect Committee Members for two (2) year terms. The terms shall be staggered and overlap so that elections for Committee Member positions are held each year at the Annual Meeting. Committee Members may serve consecutive terms if elected. The Committee Members shall hold office until their respective successors have been elected and hold their first meeting.

4.5 Regular Meetings.

The Committee shall hold meetings at least quarterly or more often at the discretion of the Committee. The Annual Meeting can be considered the Committee meeting for the first quarter.

4.6 Special Meetings.

Special meetings of the Committee may be called by the President or a majority of Committee Members on at least two (2) business days prior notice to each Committee Member.

4.7 Meeting Notice.

The Person or Persons authorized to call Committee meetings may fix any place, within Salt Lake County that is reasonably convenient for the Owners, as the place for holding the meeting and shall provide a conference call-in number or video conference link for Committee Members not able to attend in person. Notice shall be given personally, by email, or by telephone, including text message, at least two (2) business days in advance of the meeting. By unanimous consent of the Committee, Committee meetings may waive notice to the Committee Members, but notice shall always be provided to those Owners who have requested notice of Committee meetings. Attendance by a Committee Member at any meeting of the Committee shall be a waiver of notice.

4.8 Quorum and Manner of Action.

A majority of the number of Committee Members shall constitute a quorum for the transaction of business at any meeting of the Committee. The Committee may take no action unless a quorum of the Committee Members supports the action. In other words, if less than the full membership of the Committee Members is present at a meeting, the vote of a majority of the number of total Committee Members, not the majority of those present at the meeting, is required for the Committee to act. The Committee Members shall act only as the Managing Committee, and individual Committee Members shall have no powers as such. If, at any meeting of the Committee, there be less than a quorum present, the majority of those present may adjourn the meeting. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

4.9 Owner Attendance.

Any Owner may request notice of Committee meetings by requesting such notice from a Committee Member and providing a valid email address at which the Owner will receive notice. Owners who have requested notice of Committee meetings shall be given notice along with the Committee Members and shall be provided any call-in number, video conference link, or other means of attendance by electronic communication that is provided to Committee Members. If Owners attend a Committee meeting, the Committee may select a specific period of time during the meeting and limit Owner comments to such time period. The Committee in its sole discretion may set a reasonable length of time that each Owner may speak.

4.10 Open Meetings.

Except as provided below in (a) through (f), Committee meetings shall be open to Owners. The Committee may hold a closed executive session during a meeting of the Committee if the purpose of the closed executive session is to:

- (a) Consult with legal counsel, or to obtain legal advice and discuss legal matters;
- (b) Discuss existing or potential litigation, mediation, arbitration, or an administrative proceeding;
- (c) Discuss a labor or personnel matter;
- (d) Discuss a matter relating to the initial contract negotiations, including the review of a bid or proposal;
- (e) Discuss a matter involving a Person, if the Committee determines that public knowledge of the matter would violate the Person's privacy; or
- (f) Discuss a delinquent assessment.

4.11 Committee Meetings Generally.

The Committee may designate any place in Salt Lake County that is reasonably convenient for the Owners as the place of meeting for any regular or special Committee meeting. The Committee may allow attendance and participation at any Committee meeting by telephone or any other electronic means that allows for Committee Members to communicate orally in real time. The President shall, or in his/her absence the Vice-President, preside over all meetings of the Committee. The Secretary shall keep minutes of all Committee meetings.

4.12 Committee Action.

Notwithstanding noncompliance with any provision within this Article, Committee action is binding and valid unless set aside by a court of law. A person challenging the validity of a Committee action for failure to comply with this Article may not bring the challenge more than sixty (60) days after the Committee has taken the action in dispute.

4.13 Compensation.

No Committee Member shall receive compensation for any services that such member may render to the Association as a Committee Member; provided, however, that a Committee Member may be reimbursed for expenses incurred in performance of such duties as a Committee Member to the extent such expenses are approved by a majority of the other Committee Members. Nothing herein shall be construed to preclude any Committee Member from serving the Property in any other capacity and receiving compensation therefore, so long as approved in advance by a majority of disinterested Committee Members.

4.14 Resignation and Removal.

A Committee Member may resign at any time by delivering a written resignation to either the President or the Secretary. Unless otherwise specified therein, such resignation shall take effect upon delivery. A Committee Member elected by the Owners may be removed at any time, with or without cause, at a Special Meeting of the Owners duly called for such purpose upon the affirmative vote of more than fifty percent (50%) of the entire voting interests of the Association. At such a meeting, the Owners shall vote for a new Committee Member to fill the remaining term of the removed Committee Member. Committee Members may also be removed by a vote of a majority of the other active Committee Members upon the occurrence of any of the following: failure to attend three (3) consecutive Committee meetings, failure to remain current on Assessments, or a violation of the Governing Documents. If removal occurs based on the preceding sentence, then the remaining Committee Members may appoint a replacement to serve the remaining term of the removed Committee Member.

4.15 Vacancies.

If vacancies occur in the Committee for any reason (including death, resignation, or disqualification) except removal by the Owners, the Committee Members then in office shall continue to act, and such vacancies shall be filled by a majority vote of the Committee Members then in office, though less than a quorum. Any vacancy in the Committee occurring by reason of removal of a Committee Member by the Owners may be filled by election of the Owners at the meeting at which such Committee Member is removed. Any Committee Member elected or appointed hereunder to fill a vacancy shall serve for the unexpired term of his predecessor. Except by reason of death, resignation, disqualification, or removal, Committee Members shall continue to serve until their successors are elected.

4.16 Action Without a Meeting.

Committee Members have the right to take any action in the absence of a meeting which they could take at a meeting subject to the requirements of Utah Code §16-6a-813 and any other applicable sections of the Acts. Any action so approved shall have the same effect as though taken at a meeting of the Committee.

4.17 Adjournment.

The Committee may adjourn any meeting from day to day for such other time as may be prudent or necessary, provided that no meeting may be adjourned for longer than thirty (30) days.

4.18 Meeting.

A Committee meeting does not include a gathering of Committee Members at which the Committee does not conduct and vote on Association business.

4.19 Report of Committee.

The Committee shall present at each annual meeting, and when called for by vote of the Association at any special meeting of the Association, a full and clear statement of the business and condition of Millcreek Meadows.

ARTICLE V. OFFICERS

5.1 Officers.

The officers of the Association shall be a President, Vice President, Secretary, Treasurer, and such other officers as may be appointed by the Committee.

5.2 Election, Tenure, and Qualifications.

The officers of the Association must be Committee Members and shall be elected by the Committee at the first Committee meeting following each Annual Meeting of the Owners. Each officer shall hold such office until a successor has been elected and qualified, or until such officer's death, or until resignation, disqualification, or removal in the manner provided in these Bylaws, whichever first occurs. Any person may hold any two (2) or more of such offices, except that the President may not also be the Secretary. No person holding two (2) or more offices shall act in or execute any instrument in the capacity of more than one (1) office.

5.3 Subordinate Officers.

The Committee may appoint such other officers or agents as it may deem advisable, each of whom shall have such title, hold office for such period, have such authority, and perform such duties as the Committee may from time to time determine.

5.4 Resignation and Removal.

Any officer may resign at any time by delivering a written resignation to any member of the Committee or to any managing agent of the Association. Unless otherwise specified therein, such resignation shall take effect upon delivery. Any officer may be removed and replaced upon the affirmative vote of a majority of the Committee Members at any time, with or without cause.

5.5 Vacancies.

If a vacancy occurs in an office by reason of death, resignation, removal, disqualification, or any other cause, or if a new office shall be created, such vacancies or newly created offices may be filled by majority vote of the Committee at any regular or special Committee meeting.

5.6 President.

The President shall be the chief executive of the Association. The President shall preside at meetings of the Managing Committee and at meetings of the Owners. At the meetings, the President shall have all authority typically granted to the person presiding over the meeting including but not limited to: (1) the right to control the order of the meeting, (2) the right to arrange for the removal of any disruptive Owner or person, (3) the right to impose and enforce reasonable rules and procedures related to the meeting such as those found in "Robert's Rules of Order" or "The Modern Rules of Order." The President shall sign on behalf of the Association all conveyances, mortgages, documents, and contracts, and shall do and perform all other acts and things as required by the Committee.

5.7 Vice President.

The Vice President shall perform all duties of the President when the President is absent or unable or refuses to act at any meeting of the Committee or Owners. The Vice President shall perform such other duties as required by the Managing Committee.

5.8 Secretary.

The Secretary shall keep the minutes of the Association and shall maintain such books and records as these Bylaws, the Declaration, Rules, or any resolution the Committee may require. The Secretary shall also act in the place of the Vice President in the event of the President's and Vice President's absence or inability or refusal to act. The duties of the Secretary may be delegated to the Manager.

5.9 Treasurer.

The Treasurer shall have the custody and control of the funds and financial accounts of the Association, subject to the action of the Committee, and when requested by the President, shall report the state of the finances of the Association at each meeting of the Owners and at any meeting of the Committee. The President, or such other officer as the President delegates, shall also have his/her name on all funds and/or accounts of the Association. The Treasurer shall perform such other duties as required by the Committee. The duties of the Treasurer may be delegated to the Manager.

5.10 Compensation.

No officer shall receive compensation for any services rendered to the Association as an officer, provided, however, that an officer may be reimbursed for expenses incurred in performance of such duties as an officer to the extent such expenses are approved by the Committee.

ARTICLE VI. COMMITTEES

6.1 Designation of Committees.

The Management Committee may designate committees as it deems appropriate in carrying out its duties, responsibilities, functions, and powers. No member of such committee shall receive compensation for services rendered to the Association as a member of the committee; provided, however, that the committee member may be reimbursed for expenses incurred in performance of such duties as a committee member to the extent that such expenses are approved by the Management Committee. A committee shall not have powers, duties, or responsibilities beyond those specifically assigned by the Management Committee in a written resolution. The Management Committee may terminate a committee at any time.

6.2 Proceeding of Committees.

Each committee may appoint its own presiding and recording officers and may meet at such places and times and upon such notice as such committee may determine. Each such committee shall keep a record of its proceedings and shall regularly report such proceedings to the Committee.

6.3 Quorum and Manner of Acting.

A majority of the number of Committee Members shall constitute a quorum for the transaction of business at any meeting of the Committee. The Committee may take no action unless a quorum of the Committee Members supports the action. In other words, if less than the full membership of the Committee Members is present at a meeting, the vote of a majority of the number of total Committee Members, not the majority of those present at the meeting, is required for the Committee to act. The Committee Members shall act only as the Managing Committee, and individual Committee Members shall have no powers as such. If, at any meeting of the Committee, there be less than a quorum present, the majority of those present may adjourn the meeting. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

6.4 Resignation and Removal.

A committee member may resign at any time by delivering a written resignation to a Management Committee Member or the presiding officer of such committee. Unless otherwise specified therein, such resignation shall take effect upon delivery. The Management Committee may at any time, with or without cause, remove any committee member.

6.5 Vacancies.

If a vacancy occurs in a committee due to disqualification, death, resignation, removal, or otherwise, the remaining members shall, until the filling of such vacancy by the Committee, constitute the then total authorized membership of the committee and, provided that two (2) or more members are remaining, may continue to act. Such vacancy may be filled at any meeting of the Management Committee.

ARTICLE VII. INDEMNIFICATION

7.1 Indemnification.

No Management Committee Member, officer, or committee member shall be personally liable for any obligations of the Association or for any duties or obligations arising out of any acts or conduct said Committee Member, officer, or committee member performed for or on behalf of the Association. The Association shall and does hereby indemnify and hold harmless each person who shall serve at any time as a Management Committee Member, officer, or committee member of the Association, as well as such person's heirs and administrators, from and against any and all claims, judgments and liabilities to which such persons shall become subject, by reason of that person having heretofore or hereafter been a Management Committee Member, officer, or committee member of the Association or by reason of any action alleged to have been heretofore or hereafter taken or omitted to have been taken by him as such Management Committee Member, officer, or committee member and shall reimburse any such person for all legal and other expenses reasonably incurred in connection with any such claim or liability; provided that no such person shall be indemnified against or be reimbursed for or be defended against any expense or liability incurred in connection with any claim or action arising out of such person's willful or intentional misconduct. The rights accruing to any person under the foregoing provisions of this Section shall not exclude any other right to which such person may lawfully be entitled, nor shall anything herein contained restrict the right of the Association to indemnify or reimburse such person in any proper case, even though not specifically provided for herein or otherwise permitted. The Association, its Management Committee Members, officers, committee members, employees, and agents shall be fully protected in taking any action or making any payment or in refusing so to do in reliance upon the advice of counsel.

7.2 Other Indemnification.

The indemnification herein provided shall not be deemed exclusive of any other right to indemnification to which any person seeking indemnification may be entitled under the Acts or under any agreement, vote of disinterested Committee Members or otherwise, both as to action taken in any official capacity and as to action taken in any other capacity while holding such office. It is the intent that all Management Committee Members, officers, and committee members be and hereby are indemnified to the fullest extent permitted by the laws of the State of Utah and these Bylaws. The indemnification herein provided shall continue as to any person who has ceased to be a Management Committee Member, officer, committee member, or employee and shall inure to the benefit of the heirs, executors and administrators of any such person.

7.3 Insurance.

The Committee, pursuant to the Declaration, shall direct that the Association purchase and maintain Directors and Officers insurance on behalf of any person who is or was a Management Committee Member, officer, committee member, Manager or employee of the Association or is or was serving at the request of the Association as a Management Committee Member, officer, committee member, Manager, employee, or agent of another association, corporation, partnership, joint venture, trust or other enterprise against any liability asserted against, and incurred by, such person in any such capacity or arising out of such person's status as such, whether or not the Association would have the power to indemnify such person against liability under the provisions of this Article.

7.4 Settlement by Association.

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

ARTICLE VIII. RULES AND REGULATIONS

8.1 Rules.

The Committee shall have the authority to adopt and establish Association Rules as it deems necessary for the maintenance, operation, management, and control of the Property. The Committee may from time to time, by resolution, alter, amend, and repeal such Rules and use their best efforts to see that they are strictly observed by all Owners and residents. Owners are responsible to ensure that their lessees, invitees, and guests strictly observe the Rules then in effect as well as the covenants and restrictions of the Declaration and shall be jointly and severally liable for their violations and resulting fines. Copies of all Rules adopted by the Committee shall be sent to all Owners at least ten (10) days prior to the effective date thereof.

ARTICLE IX. AMENDMENTS

9.1 Amendments by Association.

The Bylaws may be amended by the Owners upon the affirmative vote of more than sixty-seven percent (67%) of the voting interest of the Association provided that notice of the proposed amendment shall have been given to each Owner simultaneously with the notice of such meeting. The President shall execute the amendment and certify that the vote required by this Section has occurred. If a Unit is owned by more than one Owner, the vote of any one Owner shall be sufficient to constitute approval for that Unit under this Section. If a Unit is owned by an entity or trust, the vote of any one officer, trustee, or agent of the entity shall be sufficient to constitute approval for that Unit under this Section. No acknowledgment of any Owner signature shall be required. No modification or amendment of these Bylaws may be adopted which shall be inconsistent with the provisions of the Acts or the Declaration. A

modification or amendment once adopted shall then constitute part of the official Bylaws and all Owners shall abide by such modification or amendment.

ARTICLE X. MISCELLANEOUS PROVISIONS

10.1 Fiscal Year.

The fiscal year of the Association shall consist of the twelve (12) month period beginning on January 1st of each year and terminating on December 31st of the same year.

10.2 Waiver.

No restriction, condition, obligation, or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

10.3 Severability; Number; Captions.

The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability, or effect of the balance of these Bylaws. As used in these Bylaws, the singular shall include the plural, and the plural shall include the singular. The masculine and neuter shall each include the masculine, feminine, and neuter, as the context requires. All captions are intended solely for convenience of reference and shall in no way limit any of the provisions of these Bylaws.

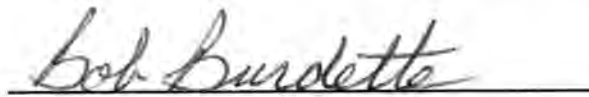
10.4 Compliance.

These Bylaws are set forth in compliance of the requirements of the Acts.

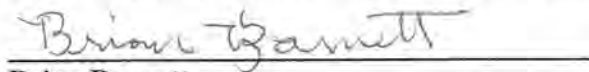
10.5 Conflicts.

These Bylaws are intended to comply with the Declaration. In case of any irreconcilable conflict, the Declaration shall control over these Bylaws.

IN WITNESS WHEREOF, the Declarant has executed and adopted these Bylaws on behalf of the Association.



Bob Burdette,
President, Millcreek Meadows Owners Association



Brian Barnett,
Secretary/Treasurer, Millcreek Meadows Owners Association