

AMENDED AND RESTATED
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR
GRAYSTONE ARMS
CONDOMINIUM
IN
SALT LAKE CITY,
SALT LAKE COUNTY, UTAH

Effective on the Date of Recording With the Salt Lake City County Recorder

Graystone Arms Condominium
Declaration of Covenants, Conditions and Restrictions
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**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF
GRAYSTONE ARMS CONDOMINIUM**

This Declaration of Covenants, Conditions and Restrictions (CC&Rs), hereinafter called "Declaration", is made and executed in Salt Lake County, Utah this 12, day of February 2025 by Graystone Arms Corp., Inc., a Utah not for profit corporation, hereinafter call "Association" for him/herself, his or her successors, grantees and assignees, pursuant to the provisions of the Utah Condominium Ownership Act Section 57-8-1 et seq., hereinafter referred to as "Utah Condominium Ownership Act" or "Act".

1.0 RECITALS.

1.1 This Declaration amends, modifies, changes, replaces and supersedes the prior Declaration of Covenants, Conditions and Restrictions of Graystone Arms Condominium recorded with the Salt Lake County Recorder's office in December 15, 2022 No.14053188 the "Original Declaration's) and any corrections, supplements and amendments to said Original Declaration. This Declaration affects the real property and condominium units identified on Exhibit A, attached hereto and incorporated herein by reference.

1.2 The original developers have constructed a residential building and other improvements upon the aforesaid premises in accordance with the plans and drawings set forth in the Record of Survey Map filed with the Salt Lake County Recorded as Entry No. 3618378 consisting of five sheets.

1.3 The Original Declaration subjected the real property identified on Exhibit A to the provisions of Utah's Condominium Ownership Act. The Association desires, by filing this Declaration, to continue to submit the above-described real property, the building and other improvements constructed thereon, to the provisions of Utah's Condominium Ownership Act as a condominium property known as Graystone Arms.

1.4 The Association intends by filing this Declaration to impose upon the property mutually beneficial restrictions for the benefit of the property and owners.

1.5 In accordance with Utah Code 57-8-39 and the Original Declaration (as amended), this Declaration may be amended by a vote, with the approval of at least 67% of unit owners voting, in person or by proxy, at a meeting held in accordance with the provisions of the Bylaws. Amendment Documents shall not be effective until recorded, in the Office

of the Salt Lake County Recorder, State of Utah. Amendments must be filed within 7 days of ratification.

1.6 The invalidity of any provision of this Declaration shall not affect in any manner the validity or enforceability of the remainder of this Declaration. The other provisions of this Declaration shall continue in effect as if such invalid provisions had never been included.

1.7 No provision contained in this Declaration shall be deemed to have been waived by any failure to enforce it.

2.0 **SUBMISSION.**

The land and units constructed thereon are subject to the Utah Condominium Ownership Act. The land and units shall be held, conveyed, encumbered, leased, rented, used, occupied and improved subject to the following covenants, conditions, restrictions, use limitations and obligations. This Declaration shall be binding upon current and future Association members, their successors and assigns, and any persons acquiring or owning an interest in Graystone Arms Condominium, their grantees, successors, heirs, executors, and administrators.

2.1 **Unit Owners Subject to this Declaration, Bylaws, Rules and Regulations.**

All present and future owners, tenants, and occupants of units in Graystone Arms Condominium shall comply with the provisions of this Declaration, the Bylaws, and the House Rules and Guidelines adopted as part of the Governing Documents. The acceptance of a deed or conveyance, or the entering into occupancy of any unit, shall constitute an acceptance of the provisions of the Governing Documents. These documents may be amended from time to time but shall remain binding to any person owning or acquiring any unit. The provisions contained in these documents shall be covenants running with the land and shall bind any person having at any time an interest or a stake in a unit as though such provisions were recited and fully stipulated in each deed, conveyance, or lease. **(Utah Condominium Ownership Act 57-8-8)**

3.0 NAME OF THE CONDOMINIUM PROPERTY.

The name by which the condominium property shall be known is "**Graystone Arms Condominium.**"

4.0 DEFINITIONS.

The terms used herein shall have the meanings indicated below. Any term used which is defined by the Act shall, to the extent permitted by the context thereof, have the meaning ascribed by the Act. (**Utah Condominium Ownership Act section 57-8-3**)

4.1 "Act" means the (**Utah Condominium Ownership Act 57-8-1**) as amended and expanded by the laws of Utah.

4.2 "Assessment" means any charge imposed by the Association including:

- a. common expenses on or against a Unit Owner pursuant to the provisions of the Declaration, Bylaws, Rules, Policies, Procedures and Guidelines; and
- b. an amount that an Association of Unit Owners and/or the Management Committee assesses to a Unit Owner under the terms of the Act.

4.3 "Association of Unit Owners" or "Association" means all of the Unit Owners:

- a. acting as a group in accordance with the Declaration and Bylaws;
- b. organized as a legal entity in accordance with the Declaration.

4.4 "Building" means a building containing units and comprising a part of the property of the Graystone Arms Condominium.

4.5 "Bylaws" means the bylaws enacted by the Association to provide a framework for its operation and management.

4.6 "Common Areas and Facilities", unless otherwise provided in the Declaration or lawful amendments to the Declaration, means:

- a. the land included within the condominium property;
- b. the foundations, columns, girders, beams, supports, main walls, roof, halls, corridors, lobbies, stairs, stairways, fire escapes, entrances, and exits of the building;
- c. the basements, yards, gardens, parking areas and storage spaces;
- d. installations of central services such as power, light, cold water;
- e. the elevator, tanks, pumps, motors, fans, compressors, ducts, and all apparatus and installations existing for common use;

- f. such community facilities as may be provided for in the Declaration;
- g. all other parts of the property necessary or convenient to its existence, maintenance, and safety or normally in common use.

Common Area and Facilities does not mean individual ownership of a specific parking stall or storage locker.

4.7 "Common Expenses" means:

- a. all sums lawfully assessed against the Unit Owners;
- b. expenses of administration, maintenance, repair, or replacement of the common areas and facilities;
- c. expenses agreed upon as common expenses by the Association of Unit Owners; and
- d. expenses declared common expenses by State Code, this Declaration and the Bylaws.

4.8 "Condominium" means a single unit in the Graystone Arms Condominium property.

4.9 "Condominium Plat" means a plat of surveyed land and units prepared in accordance with the Act.

4.10 "Condominium Unit" means a unit together with the undivided interest in the common areas and facilities pertaining to that unit.

4.11 "Declaration" means the instrument by which the property is submitted to the provisions of the Act, and as it may be lawfully amended.

4.12 "Governing Documents" means written instruments by which an Association of Unit Owners may:

- a. exercise powers; or
- b. manage, maintain, or otherwise affect the property under the jurisdiction of the Association of Unit Owners.

Governing Documents include Articles of Incorporation, Bylaws, CC&Rs, House Rules and Guidelines and Policies and Procedures of the Association. The hierarchy of these documents is set forth in **(Utah Condominium Ownership Act 57-8-40.)**

4.13 "Independent Third Party" means a person that:

- a. is not related to the Unit Owner;
- b. shares no financial interest with the Unit Owner.

4.14 "Judicial Foreclosure" means a foreclosure of a unit:

- a. for the nonpayment of an assessment; and
- b. in the manner provided by law for the foreclosure of a mortgage on real property.

4.15 "Land" means the property described as Graystone Arms Condominium.

4.16 "Limited Common Areas and Facilities" means those common areas and facilities designated as reserved for use of a certain unit to the exclusion of the other units. Limited Common Areas and Facilities does not mean individual ownership of a specific parking stall or storage locker.

4.17 "Majority "or" Majority of the Unit Owners", unless otherwise provided in the Declaration or lawful amendments to the Declaration, means at least 51% of the Unit Owners.

4.18 "Management Committee" means the committee as provided in the Declaration and Bylaws charged with the responsibility and authority to make and to enforce all of the reasonable rules governing the operation and maintenance of the property.

4.19 "Management Committee Meeting" means a gathering of a Management Committee, whether in person or by means of electronic communication, in real time at which the Committee can take binding action.

4.20 "Manager" means the person, persons or corporations selected by the Management Committee, with the approval of the Association of Unit Owners, to manage the affairs of the condominium.

4.21 "Map" means the Record of Survey Map of Graystone Arms Condominium recorded with the Salt Lake County Recorder.

4.22 "Means of Electronic Communication" means an electronic system that allows individuals to communicate orally in real time or in written form. Electronic communication includes:

- a. web conferencing;
- b. video conferencing;
- c. telephone conferencing;
- d. email and texting.

4.23 "Mortgage" means both a first mortgage of any condominium unit and a first deed of trust on any condominium unit.

4.24 "Nonjudicial Foreclosure" means the sale of a unit:

- a. for the nonpayment of an assessment;
- b. in the same manner as the sale of trust property under state code.

4.25 "Person" means an individual, corporation, partnership, association, trustee or other legal entity.

4.26 "Property" or "Condominium Property" means the land, buildings, all improvements, all easements, rights and appurtenances belonging thereto, and all articles of personal property intended for use in connection with the condominium.

4.27 "Quorum" means 51% of the members of the Association of Unit Owners. A quorum is at least 51% of Management Committee Members when the Management Committee acts on internal matters.

4.28 "Rentals" or "Rental Unit" means a unit that is occupied by an individual while the Unit Owner is not occupying the unit as the Unit Owner's primary residence. A lease or rental does not imply ownership by the occupant.

4.29 "Reinvestment Fee " means the fee of .005 of the purchase price collected at closing on a sale of a unit by the escrow company. The fee shall be paid to the Association and may be used for operations, administration, maintenance, improvements, repairs, or replacement of Association owned facilities, including expenses for taxes, insurance, operating reserves and emergency funding on the property. **(Utah State Condominium Ownership Act 57-1-46)**

4.30 "Reserve Analysis" means a study to:

- a. determine the need for a reserve fund;
- b. determine the appropriate amount of the reserve fund; and
- c. prioritize specific projects that should be undertaken if said projects have a replacement life of more than three years and less than 30 years.

4.31 "Reserve Fund" means money to cover the cost of repairing, replacing, or restoring Common Areas and Facilities that have a useful life of three years or more and a remaining useful life of less than 30 years if the cost cannot reasonably be funded from the general budget or other funds of the Association of Unit Owners.

4.32 "Size" means the number of square feet of ground or floor space within each unit as computed by reference to the record of survey map and rounded off to a whole number.

4.33 "Undivided Interest" refers to the interest in the property owned and assigned to each Unit whereby each Unit Owner has an equal right to enjoy the Common Areas and Facilities.

4.34 "Unit" means that part of the property owned in fee simple for independent use and shall include the elements of the condominium which are not owned in common with the owners of other units.

4.35 "Unit Number" means the number designating the unit in the Declaration and in the Record of the Survey Map as registered with the Salt Lake County Recorder.

4.36 "Unit Owner" means the person or persons or other entities owning any Unit together with the Unit's assigned undivided interest. Owners do not include tenants, owners children, dependents, mortgagee, or anyone holding a security interest in a Unit.

5.0 DESCRIPTION OF PROPERTY.

5.1 Description of Land.

The land on which the Graystone Arms Condominium is located is that tract or parcel of land in Salt Lake County, State of Utah, with a registered address of 2760 Highland Drive, Salt Lake City, Utah, described on the Map registered with the Salt Lake County Recorder.

5.2 General Description of Buildings. (Utah Condominium Ownership Act 57-8-10)

The units of the condominium property are located in one building.

- a. The building contains 3 levels of units and one level of underground parking under the first unit level.
- b. There are a total of 24 units. Each unit is located on one floor as shown in the building map.
- c. The building consists of a concrete foundation, a pre-cast concrete floor on the first unit level, a truss-joist wood floor system on the second- and third-unit levels, a wood-truss roof system covered with a membrane roofing system. The unit levels are wood frame structure and the exterior is brick veneer.
- d. Each unit is designated for use as a single-family residence.
- e. Owners have the right to use and occupy the one parking space assigned and reserved to each unit. Unassigned parking spaces may be made available to Unit Owners as an additional parking space on such terms as the Association may determine.

For more details involving the description and location of the building, refer to the Map which is filed on record and registered with the Salt Lake County Recorder, and incorporated herein by reference in this document.

5.3 Description of Units. (Utah Condominium Ownership Act 57-8-14)

a. Each unit consists of:

1. space enclosed within the undecorated interior surface of its perimeter walls, floors and ceilings (being in appropriate cases the inner surfaces parallel to the roof plane of the roof rafters, and the projections thereof), projected where appropriate, to form a complete enclosure of space;
2. finishing material applied or affixed to the interior surfaces of the perimeter walls, floors and ceilings, including without limitation, paint, lacquer, varnish, wallpaper, tile and paneling;
3. non-supporting interior walls;
4. windows and doors in the perimeter walls, whether located within the bounds of the unit or not, but not including any space occupied thereby to the extent located outside the bounds of the units;
5. all utility pipes, lines or systems, and fixtures or appliances servicing a single unit or connecting a single unit to a main or central utility, whether located within the bounds of the unit or not, but not including any space occupied thereby to the extent located outside the bounds of the unit.

b. Units forming a part of the condominium property are more particularly described on the map, which shows graphically all the particulars of the building.

c. **Each unit has access to the Common Areas and Facilities and assigned Limited Common Areas and Facilities.**

d. Every contract for the sale of a unit and every other instrument affecting title to a unit may describe that unit by its identifying number as designated on the map which is recorded with the Salt Lake County Recorder. Such description will be to describe the unit, together with the assigned undivided interest in the Common Areas and Facilities, and to incorporate all the rights incident to ownership of a unit and all the limitations on such ownership as described in this Declaration.

5.4 Description of Common Areas and Facilities. (Utah Condominium Ownership Act 57-8-7)

The Common Areas and Facilities consist of all parts of the condominium property except the condominium units. The Common Areas and Facilities shall include the following, **whether located within the bounds of a unit or not:**

- a. all structural parts of the building including, without limitation, foundations, columns, girders, beams, supports, roof, main walls, exterior walls, public entry lobbies, elevator, mail room, maintenance room;
- b. driveways, roadways, sidewalks, service streets, parking lots, roadways not dedicated to public use, exterior walking paths, concrete and rock retaining walls, patios, courts, gardens, fences, garage parking spaces and storage units;
- c. any utility pipe or line or system servicing more than a single unit, and all ducts, wires, conduits and other accessories used therewith; but excluding any utility pipe, line, or accessory connecting a single unit to a main or central pipe or line or system servicing more than a single unit.
- d. installations of water, power, lights, other utilities and apparatus necessary for the existence, maintenance and safety of the designated Common Areas and Facilities as indicated on the map drawings and set forth in this Declaration;
- e. all other parts of the condominium property necessary or convenient to its existence, maintenance and safety, or normally in common use, or which have been designated as Common Areas and Facilities in the drawings.

Unless otherwise set for in the Declaration all of the above are subject to repair, maintenance and replacement by the Association of Unit Owners, acting through the Management Committee.

5.5 Description of Limited Common Areas and Facilities

The Limited Common Areas and Facilities are those Common Areas and Facilities designated as reserved for use of a certain unit to the exclusion of any other unit and does not mean individual ownership, outside of the individual unit or any space such as parking stalls or storage lockers. The Management Committee shall be responsible for managing all Limited Common Areas and Facilities.

6.0 STATEMENT OF PURPOSE, RESTRICTION AND USE. (Utah Condominium Ownership Act)

6.1 Purpose.

The purpose of the condominium property is to provide housing and related facilities for the Unit Owners and their respective families, guests and invitees. All units shall be Owner occupied.

6.2 Restrictions.

The units and Common Areas and Facilities shall be used and occupied as follows:

a. Unit Occupancy and Use (Utah Condominium Ownership Act)

No part of the condominium property shall be used for anything other than housing and the related common purposes for which the condominium property was designed. Each unit shall be Owner Occupied and used as a residence for a single family.

b. No Obstructions.

There shall be no obstructions of the Common Areas and Facilities nor shall anything be stored or built as a restrictive construction or preparatory construction for individual units without the prior written consent from the Management Committee.

c. Actions Affecting Insurance

1. Nothing shall be done, kept, or stored in any unit or Common Area and Facility which will increase the rates or cause the cancellation of insurance on the condominium building or any individual unit.
2. No vehicle shall be repaired within the common areas and facilities.
3. No combustible fluids or materials shall be used, kept or stored in the parking garage or storage units.

d. Owner Violations.

No Unit Owner shall permit anything to be done or kept in an individual unit, Common Areas and Facilities, individual storage units, garage parking spaces, or other restricted areas which would be in violation of any law, including but not limited to standards of the Division of Public Safety, Public Works, Police and Fire Departments and State and County Health Departments.

e. Household Waste.

No waste shall be placed in the Common Areas and Facilities other than in the waste disposal dumpster or containers provided in designated areas.

f. Prohibited Items.

No Unit Owner shall cause or permit anything, including without limitations, a sign, awning, canopy, shutter, storm door, screen door, radio or television antenna, solar panel or satellite dish to hang, be displayed, affixed or placed on the exterior walls, roof, outside or inside window ledges, doors, or any part thereof.

g. Animal Restriction. (Graystone Arms House Rules - www.hud.gov)

1. No animals, birds, fish or reptiles of any kind shall be raised, fed, bred, used for any commercial purpose, or kept in any unit or the Common Areas and Facilities, including the parking garage and owners' storage units. No animal belonging to non-residents or family and guests of owners will be allowed on the condominium property.
2. Federal and state law will be followed to make an exception for service animals. A service animal is a **dog** or another animal **that** is trained to do work or perform tasks for the benefit of an individual with a disability.
3. If a person's disability is not visually evident, documentation will be required. **Documentation from the internet is not by itself sufficient to reliably establish that an individual has a non-observable disability or a disability related need for an assistance animal. No preparation training of a service animal to be used by someone other than the resident shall be permitted.**
4. An emotional support animal is an animal that provides support to alleviate one or more identified symptoms or effects of an individual's disability. An emotional support animal may be permitted with appropriate documentation of need from a medical provider with personal knowledge of the individual asking for an allowance of the animal restriction. Documentation from the internet is not by itself sufficient to reliably establish that an individual has a need

for the emotional support animal. For specific information refer to www.hud.gov.

5. Vaccination and licensing laws for all animals must be followed.
6. All service and support animals must be housebroken, caged, harnessed or leashed and controlled by the owner at all times while outside the individual unit owner's residence on the Graystone Arms property.
7. Any service or support animal that is aggressive or creates a danger or nuisance for others can be removed from Graystone Arms property following written notice from the Management Committee.
8. The owner is responsible for any damage the animal causes on Graystone Arms property. Owners are responsible to clean up, remove and properly dispose of all animal waste.
9. A Pet is not considered a Service Animal or an Emotional Support Animal. If said animal(s) do not provide some type of service to the Owner or the dependent occupant with the disability, they are considered a Pet and are not permitted on the Graystone Arms property.

h. Annoyance or Nuisance. (Utah Condominium Ownership Act)

No noxious or offensive activity shall be carried ~~out~~ in any unit or in the Common Areas and Facilities, nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the other Unit Owners or occupants.

Civil order and proper decorum shall be observed at all times in all areas of the property.

I. Non-Smoking Facility. (UICAA - Utah Condominium Ownership Act 57-8-16), Utah Code 26-38-3.1, Bylaws, House Rules)

The Graystone Arms Condominium is a 100% non-smoking facility. That means smoking of any substance and use of any smoking apparatus or vaping products or devices is prohibited in an individual unit, hallways, stairwells, mailroom, lobbies, garage, indoor Common Areas or Facilities, lawn areas, outside patios, driveways, parking areas, rock walls or sidewalks near the

condominium property. If individual owners, family members or guests desire to smoke, they must be off the property and more than 25 feet from any window, doorway, vent, porch, patio or parking area on the Graystone Arms Condominium property.

Violations or disregard of the non-smoking policy shall be considered a nuisance and a breach of the house rules and shall result in appropriate action taken by the Management Committee.

Use of illegal drugs of any kind is prohibited, and City, County and State enforcement authorities shall be notified, and offenders will be prosecuted.

j. Remodeling Standards. (Utah Condominium Ownership Act)

1. Nothing shall be done in or to any unit or the Common Areas and Facilities which will impair the structural integrity of the building.
2. No two units may be remodeled to create a single larger unit than what appears on the original plat map.
3. All major interior remodeling of an individual owner's unit must first be approved by the Management Committee to avoid any structural concerns.
4. As remodeling progresses, inspection by the County/local Building Inspection Department will/may be required. All remodeling or construction work to a unit must be contained inside the individual unit. No preparation for remodeling or construction shall be done in any part of the Common Areas or Facilities without the approval of the Management Committee. All construction debris shall be removed from the condominium property by the construction and/or remodeling company, and such debris shall not be placed in the condominium garbage dumpster for disposal.
5. No Unit Owner shall, by deed, plat, lease or otherwise, subdivide or in any manner cause a unit to be separated into tracts or parcels smaller or larger than the whole unit of original design.

6. Proper licenses and permits must be displayed in the individual unit for each project. The Management Committee may require a Unit Owner to submit, at the Unit Owner's expense, a document from a registered professional engineer or licensed architect stating that the proposed change to the unit will not impair the structural integrity or any mechanical systems of any unit or Common Area and Facilities.

k. Building Restrictions. (Utah Condominium Ownership Act)

1. No clothing, sheets, blankets, laundry, or any kind of article shall be hung or exposed on any part of the Common Areas and Facilities. The Common Areas and Facilities shall be kept free and clear of all rubbish, debris, throw rugs, bound carpet pieces, plants, personal belongings and other materials which could be a tripping hazard to anyone walking in the hallway or entering an owner's unit from the Common Areas and Facilities.
2. Any items which are placed as decorations in the Common Areas and Facilities should be kept within the tasteful bounds of the established traditions of the condominium and only with the Management Committee's approval.
3. The **Association** or the Management Committee is not responsible for any loss, breakage or damage to private property while on display.
4. Any personal wall coverings, decorations or furniture that have been given, donated or transferred by a gift document or other means of conveyance to the Graystone Arms Condominium shall remain with the Association when unit ownership changes.
5. Removal and/or replacement of Unit windows must be approved by the Management Committee as to style, color and other amenities associated with the window.
6. Any unauthorized items which are in the common areas and facilities that become a safety or security concern or violate any building or fire code, must be removed immediately upon notification of the violation. Such items may be removed by the Management Committee or a Code Enforcement Officer.

i. Mailroom and Delivery.

Items received by mail or special carrier should be removed from the mailroom or other Common Areas in the Facility in a timely manner to maintain security and avoid clutter. Large items that are being delivered should be moved into the building as outlined in the "Move in Guidelines".

m. Prohibited Acts and Storage.

1. Except in areas specifically designed and intended for such purposes, there shall be no playing, lounging, sun bathing, vehicle parking or placing of strollers, play pens, bicycles, wagons, toys, benches, chairs or any personal items in or on any part of the Common Area and Facilities. (**Graystone Arms Condominium House Rules**)
2. No electrical devices or appliances shall be plugged into electrical outlets in assigned storage units, garage spaces or Common Areas and Facilities that are not part of a Unit Owner's personal metered outlets without approval of the Management Committee.
3. No combustible fluids or materials shall be kept in the parking garage or storage units.

n. Property Use Guidelines.

1. No industry, business, trade, occupation or profession of any kind, whether for commercial, religious, educational, charitable or other purposes, shall be conducted, maintained or permitted on condominium property.
2. Exceptions to number one are remote or home Internet businesses confined inside an individual owner's personal unit with no foot or vehicle traffic in or on the condominium property.

o. Signage. (Utah Condominium Ownership Act 57-8a-21)

1. An Owner may display inside a window of the owners' condominium unit:
 - a. a "For Sale" sign;
 - b. a political sign; and
 - c. a religious or holiday sign, symbol or decoration.

2. The following restrictions apply:

- a. Signs advertising an open house are permitted to be posted in designated areas on condominium grounds only on days of open house activities. Rules governing such signs are posted in the House Rules under the heading "Showing, Selling and Advertising a Unit" and "Prospective Owner and Agent Guidelines".
- b. Political signs may be posted no sooner than thirty days before the election and must be removed from inside the owners' windows within seven days after the election. Only one sign per candidate or proposition may be displayed.
- c. Any holiday sign, symbol and decoration shall be removed from the windows within seven days after the event or holiday.
- d. Signs that do not fall into any of the above restrictive categories shall not be permitted to be displayed at any time and in any manner on any part of the property.

p. **Circular Drive.**

1. The circular drive within the Common Areas and Facilities of the condominium property between Highland Drive and the condominium building shall be to allow emergency and essential safety vehicles access to the **property** from Highland Drive.
2. The circular drive shall be for dropping off and picking up passengers. Moving large items to main floor units **by way of the Circular Drive** must be approved by the Management Committee in advance. No personal, public or individual parking shall be permitted. Any extended use of the circular drive must be under constant supervision of an owner or a member of the Management Committee.

7.0 FINES. (The Utah Condominium Ownership Act 57-8-37, House Rules - Fines)

The Management Committee may assess a fine against a Unit Owner for violation of the Association of Unit Owners' Governing Documents in accordance with the provisions of the Utah Condominium Ownership Act.

7.1 Assessing Fines.

1. A fine assessed shall:
 - a. be made only for violations of provisions in the Association of Unit Owners' Governing Documents; and
 - b. be in an amount provided for in the Association of Unit Owners' Governing Documents; and
 - c. accrue interest and late fees as provided by the Association of Unit Owners Governing Documents.
2. Before assessing a fine, the Management Committee shall give the Unit Owner a written warning that:
 - a. describes the violation;
 - b. states the rule or provisions of the Association of Unit Owners Governing Documents that the Unit Owner's conduct violates;
 - c. states that the Management Committee may, in accordance with the provisions of the "Act", assess fines against the Unit Owner;
 - d. states that if the Unit Owner commits similar violations within one year after the day on which the Management Committee gives the Owner the written warning a fine may be assessed under the provisions of the "Act"; and
 - e. states that if the violation is a continuing violation, and is not cured after 48 hours after the day on which the Management Committee gives the Owner the written warning a fine may be assessed.

7.2 Fines for Repeated Violations.

The Management Committee may assess an additional fine if;

1. within one year after the day on which the Management Committee gives the Unit Owner a written warning, the Unit Owner commits another violation of the same rules or provision identified in the written warning; or
2. the owner does not cure the violation, within the time period that is stated in the written warning.
3. After the Management Committee assesses a fine against a Unit Owner, the Management Committee may, without further warning, assess an additional fine against the Unit Owner each time the Unit Owner:

- a. commits a violation of the same rule or provision within one year after the day on which the Management Committee assesses a fine for a violation of the same rule or provision;
- b. allows a violation to continue for 10 days or longer after the day on which the Management committee assesses the fine.

The aggregate amount of fines assessed against a Unit Owner for violations of the same rule or provision of the Governing Documents may not exceed \$500.00 in any one calendar month. **(Utah Condominium Ownership Act 57-8-37)**

7.3 Informal Hearing. (Utah Condominium Ownership Act)

- a. A Unit Owner who is assessed a fine may request an informal hearing before the Management Committee to dispute the fine within 30 days after the day on which the Unit Owner receives notice that the fine is assessed.
- b. When a hearing is requested, the Management Committee shall notify the Unit Owner that they must attend in person or submit a written request for another person to represent them. If special accommodations are required, they must be in writing and requested prior to the hearing date.
- c. At a hearing, the Management Committee shall:
 1. Constitute a quorum;
 2. provide the Unit Owner a reasonable opportunity to present the Unit Owner's position to the Committee; and
 3. allow the Unit Owner, a Committee Member, or any other person involved in the hearing to participate in the hearing by means of electronic communication.
- d. If a Unit Owner timely requests an informal hearing, no interest or late fee may accrue until after the Management Committee conducts the hearing and the Unit Owners receive a final decision.

7.4 A Unit Owner May Appeal.

If the Unit Owner disagrees with the decision made in the informal hearing the fine can be appealed by initiating a civil action within 180 days after receiving the final decision from the Management Committee.

7.5 Delegation of Responsibility.

The Management Committee may delegate the Management Committee's rights and responsibilities to a manager or Managing Agent for the notification of violations and collection of fines from Unit Owners.

The Management Committee may not delegate the Management Committee's rights or responsibilities to hold an informal hearing and make a final decision on each case.

8.0 MAINTENANCE. (Utah Condominium Ownership Act)

8.1 Maintenance of Common Areas and Facilities.

- a. The Management Committee, acting as agent or representative with respect to the Common Areas and Facilities, may perform or cause to be performed any maintenance, repair or remodeling work, or other work required or permitted for the safety and security of the facility.
- b. The Management Committee shall be responsible for maintenance of all conduits, ducts, plumbing, wiring and other apparatus for the furnishing of lights, power, air conditioning condensation pipes, water pipes and sewer pipes contained in units and common areas that service the property other than the unit in which they are contained.

8.2 Unit Maintenance. (Utah Condominium Ownership Act)

- a. Each Unit Owner, at the Owner's own expense, shall keep the interior of the Owner's unit and its equipment in good repair and in a clean and sanitary condition.
- b. Unit Owners shall do all redecorating and painting which may be necessary to maintain the good appearance of the Owner's unit.
- c. The Unit Owner shall repair all damages to his unit caused by negligence or carelessness of the Unit Owner or any member of the Unit Owner's family or any agent, employee or guest of the Unit Owner.
- d. The Unit Owner shall be responsible for the maintenance or replacement of any plumbing, fixtures, appliances, air conditioning, heating equipment and electrical wiring that may be in or connected to the unit.
- e. The Unit Owner shall not make or permit to be made any structural alterations or additions to the unit without first obtaining written permission from the Management Committee. All improvements such as repairs, redecorating and painting shall be of a quality and kind equal to the original work.

- f. No door knobs on any Unit entry doors may be altered or changed without the permission of the Management Committee, and such changes must match the other door knobs and door shields, so far as possible, as were part of the original apparatus.
- g. Removal and/or replacement of Unit windows must be approved by the Management Committee as to style, color and other amenities associated with the window.

9.0 OWNERSHIP AND USE. (Utah Condominium Ownership Act 57-8-6)

9.1 Ownership of a Unit.

Each Unit Owner shall be entitled to the exclusive ownership and possession of the Owner's individual unit. The ownership of an undivided interest in the Common Areas and Facilities is as a Tenant in Common.

9.2 Transfer of Ownership Records. (Utah Condominium Ownership Act)

1. The Management Committee shall maintain up-to-date records showing the name, address and the unit number of each owner. In the event of any transfer of ownership of a unit, either the transferor or transferee shall furnish the Management Committee with evidence establishing that the transfer has occurred and that the deed or other instrument accomplishing the transfer is on record in the office of the Salt Lake County Recorder.
2. The Management Committee may for all purposes act and rely on the information concerning owners and unit ownership which they have given.

9.3 Unit Occupancy Standards and Restrictions. (Utah Condominium Ownership Act)

1. The Graystone Arms Condominium is an Owner Occupied property. Unit Owners are not permitted to rent, lease or otherwise allow non-owner occupants to reside in their units. (See exceptions below.) The Association of Unit Owners shall not be permitted to determine the composition of the Unit Owner's household. The following Unit Owners and units are exempt from the restrictions:
 - a. Unit Owner currently deployed in the military;
 - b. a unit occupied by a Unit Owner's parents, child, grandchild, sibling, niece or nephew, or the spouse of a Unit Owner's parent, child, grandchild, sibling, niece or nephew, so long as it does not violate any other provision of this document;

- c. a unit owner who has voting rights or has a 25% or greater share of ownership, control, and right to any profits and losses of the entity;
- d. a unit owned by a trust or other entity created for estate planning associated with the current residences of the unit or the parents, child, or sibling of the current resident of the unit;
- e. an Unit Owner requiring live in long term health care. (For the purpose of this category, the care provider must provide either assistance with necessary daily activities, medical treatment, or Hospice care.)

2. Salt Lake County Housing Code states that an occupant shall mean: “... any person living, sleeping, cooking, or eating in a unit or having actual possession thereof whether as a tenant or owner-occupant.”

3. The Graystone Arms Condominium is an owner-occupied property. Only legally deeded owners have ownership rights as provided in the Governing Documents.

- a. The Association of Unit Owners shall not be permitted to determine the composition of the Unit Owner’s household and or family.
- b. Occupancy standards are rules as to the number of people who can live in a single unit. This standard is based on the number of bedrooms in a Unit. The occupancy standard for the Graystone Arms is two persons per bedroom plus-one infant. An infant will be considered a child at age three (3).
 - 1. Two-bedroom units are allowed to have four (4) people plus an infant.
 - 2. Three-bedroom units are allowed to have six (6) people plus an infant.
 - 3. This shall not limit the number of people that visit and remain for less than 14 days (short term).
 - 4. Occupancy may be restricted based on the fair use of Common Areas and Facilities.

9.4 Ownership of Common Areas and Facilities. (Utah Condominium Ownership Act 57-8-7)

The Common Areas and Facilities shall be owned by the Unit Owners as Tenants in Common, and ownership thereof shall remain undivided. No action for partition of any part of the Common Areas and Facilities shall be maintainable, except as specifically provided in the Utah Condominium Ownership Act, nor may any Unit Owner otherwise waive or release any rights to the Common Areas and Facilities.

9.5 Use of Common Areas and Facilities. (Utah Condominium Ownership Act 57-8-7)

Except with respect to Limited Common Areas, each Unit Owner may use the Common Areas and Facilities in accordance with the purposes for which they are intended subject to **the Governing Documents**.

9.6 Use of Limited Common Areas and Facilities.

- a. The Limited Common Areas and Facilities are the property of the Association rather than that of the individual owners and are held by Owners as Tenants in Common.
- b. A Unit Owner's use and occupancy of the Limited Common Areas and Facilities reserved for his unit shall be subject to and in accordance with all Governing Documents.
- c. Each owner shall maintain the Limited Common Areas and Facilities associated with the unit. Damage to any Limited Common Areas and Facilities associated with the unit shall be the obligation of the owner to repair and replace. Designated spaces are not transferable to another owner, family member, nonresident, friend or general public for any purpose.

10.0 PERCENTAGE OF OWNERSHIP AND VOTING RIGHTS. (Utah Condominium Ownership Act)

10.1 Ownership of Common Areas and Facilities.

The ownership in the Common Areas and Facilities is equally divided between each Unit Owner and is held by the owners as Tenants In Common. All Units shall have the same Undivided Interest.

10.2 Common Area Expenses. (Utah Condominium Ownership Act 57-8-24)

Common area expenses are divided equally between each Unit Owner of the Association.

10.3 Voting Rights. (Utah Condominium Ownership Act 57-8-24, Graystone Arms Bylaws Elections)

There is one vote per unit. Only homeowners in good standing - those current on dues and without outstanding violations - are eligible to vote. To become a member of the management committee, the nominee must receive a 51% confidence vote from the owners as an outcome of the election..

11.0 CONVEYANCES, EASEMENTS. (Utah Condominium Ownership Act)

11.1 Conveyance and Unit Identification.

Each unit is associated with an identifying number that will be associated with any documents pertaining to that unit. The identifying number shall be deemed good and sufficient for the conveying, transferring, encumbering or anything affecting the Unit Owner's corresponding ownership in the Common Areas and Facilities as a Tenant In Common.

11.2 Easement Rights. (Utah Condominium Ownership Act (57-8-13)

The **Management Committee** shall have a transferable easement over and on the Common Areas and Facilities for the purpose of making improvements within the project under this Declaration and the Act for the purpose of doing all things reasonably necessary or proper in maintaining and managing the property.

11.3 Utility Easement.

The Management Committee may be granted easements for utility purposes for the benefit of the condominium property, including the right to install, lay, maintain, repair and replace water mains, pipes, sewer lines, telephone wires, electrical equipment, electrical conduits and wires over, under, along, on and through any portion of the Common Areas and Facilities. Unit Owners must be given notice, when possible, when service will be interrupted.

11.4 Unit Easement.

Each Unit shall be subject to such easements as may be necessary for the installation, maintenance, repair or replacement of any Common Areas and Facilities located or only accessible within the boundaries of **an individual unit**. Easement rights on each individual unit are transferable upon the sale of the unit to a new owner.

11.5 Easement through Units.

Every deed, lease, mortgage or other similar instrument shall be considered to allow for easements through a Unit:

- a. allow for easements through to provide access for repair or support of the Common Areas and Facilities and other units. The Unit Owner shall grant, to the Management Committee a limited easement for encroachments upon the interior space of his unit or the portion of the Common Areas and Facilities lying within the unit;
- b. include with respect to a unit non-exclusive easement for ingress and support of said unit through the Common Area and Facility, for the repair of said unit through all other units and through the Common Areas and Facilities, and for the use of the Limited Common Areas as indicated; and
- c. include with respect to a unit non-exclusive easement appurtenant to all units for ingress, egress, support and repair and exclusive easements appurtenant to each unit for the use of the Limited Common Areas.

11.6 Encroachment Easement.

- a. In the event that encroachment on any unit is created by reason of construction, reconstruction, settlement or shifting of the building or any part of the Common Areas and Facilities, a valid easement for such encroachment shall exist for the benefit of such unit and the Common Areas and Facilities. So long as all or any part of the building containing such encroachment and the affected unit shall remain standing, a valid easement for any encroachment shall be created in favor of the Unit Owner.
- b. In no event shall a valid easement for any encroachment be created in favor of any Unit Owner or in favor of the Unit Owners as owners of the Common Areas and Facilities if such encroachment occurred due to the willful conduct, negligent act or omission of such Owner or Owners.

11.7 Unit Entry by the Management Committee or Its Agent.

- a. The Management Committee and its duly authorized agents shall have the right to enter any unit in case of an emergency originating in or threatening such unit or any other part of the condominium, whether or not the Unit Owner or occupant is present.
- b. The Management Committee and its duly authorized agents shall also have the right to enter into any unit to make emergency installations, alterations or repairs necessary to prevent damage or threatened damage

to other units in the property. Every effort shall be made to notify the Unit Owner, if available and time permits.

- c. In case of suspected health emergency or personal safety threat of a Unit Owner, the Management Committee may call for a wellness check and notify the proper authorities.

12.0 MANAGEMENT. (Utah Condominium Ownership Act 57-8-59 and Bylaws)

The property and affairs of the Graystone Arms Condominium shall be managed by a Management Committee consisting of members elected from the Association of Unit Owners. The Management Committee shall have all the powers, duties and responsibilities provided by the Act and/or as stated in the Bylaws. The Management Committee may engage a Manager to assist in the management of the property. The Management Committee shall have the responsibility to create and enforce rules and regulations as it may adopt to provide for the safety of Unit Owners and to protect the property.

13.0 ADMINISTRATIVE RULES AND REGULATIONS. (Utah Condominium Ownership Act)

13.1 Power to Adopt and Establish Rules.

- a. The Management Committee shall have the power to adopt and establish by resolution such building management and operational rules as it may deem necessary for the maintenance, operation, management and safety of the condominium and the Owners. The Committee may alter, amend and repeal such rules **they deem unreasonable or outdated**.
- b. After a copy of such rules, alterations and provisions have been furnished to the Unit Owners, they shall become part of the Governing Documents and will be binding on all Unit Owners and/or occupants of the condominium, their families, agents, employees or guests of the owner.

14.0 OBLIGATION OF COMPLIANCE TO GOVERNING DOCUMENTS. (Utah Condominium Ownership Act 57-8-34)

Each Unit Owner and/or occupant of a condominium unit must comply with the provisions of the Utah Condominium Ownership Act, this Declaration, Bylaws the House Rules and, other governing documents and all agreements and determinations lawfully made and entered into by the Management Committee or the Association of Unit Owners when acting in accordance with their authority. Any failure to comply with any of these provisions shall be grounds for the Management Committee to instigate fines.

15.0 ASSESSMENTS. (Utah Condominium Ownership Act 57-8-43)

The estimated common expenses shall be assessed on a monthly basis to the Unit Owners as set forth in the Declaration and/or Bylaws.

15.1 Payment of Assessments.

- a. All common expense assessments shall be separate, distinct and personal liabilities to each Unit Owner. The Management Committee shall have the rights and remedies contained in the Act and in the Declaration to enforce the collection of assessments.
- b. Every Unit Owner shall pay an equal share of the common expenses. **Such expenses shall be presented in the budget at the Unit Owners' Annual Meeting.**
- c. Each Unit Owner shall be obligated to pay to the Association assessments on the first day of each month or in such other reasonable **time and manner** as the Management Committee shall designate.
- d. Assessments paid later than the due date shall bear interest at the rate of twelve (12%) percent per annum or such rate of interest as may be set by the Management Committee. All payments on account shall be first applied to interest and then to the assessment payment past due.
- e. If a unit is being sold, the owner of record will remain primarily liable to the Association for the **individual unit's share of** common expenses. If a unit is being sold on contract, the recorded owner will be responsible and liable for payments of common expenses until the final conveyance is delivered and recorded.

15.2 Types of Assessments.

- a. **Common Expense Fund Assessment:** The monthly assessment covers the cost of operation of the Common Areas and Facilities. The funds collected from this assessment are placed in the Common Expense Fund account. **It is used by the Management Committee in accordance with the annual budget presented to the Association at the annual owner's meeting.**
- b. **Reserve Assessments:** This monthly assessment is used for capital improvements that cannot be covered by the monthly common expense assessment. The funds from this assessment are placed in the Reserve Fund account.
- c. **Special Capital Improvements Assessments:** Special capital improvement assessments are to cover expenses when the funds in the common expenses account and the Reserve Fund account are not

sufficient to cover needed repairs or improvements or when the expenditure of the fund would drastically reduce both the Common Expense and Reserve Funds accounts.

15.3 Assessment for Capital Improvements.

Capital Improvements are any permanent structural change or the restoration of some aspect of a Common Areas and Facilities that will either enhance the property's overall value, prolong its useful life and/or repair vital parts of the Common Areas and Facilities.

- a. In assessing the Unit Owners for capital improvements to the Common Areas and Facilities, there shall be no single improvement exceeding \$5,000.00 made by the Management Committee without prior approval of the Association members. Such assessments must have a 67% approval by the Association members voting. This assessment can be approved at the annual meeting or in a special meeting specifically called for such a purpose.
- b. The above shall not apply in connection with damage or destruction to the Common Areas and Facilities as are necessary in the Management Committee's reasonable judgment to preserve or maintain the integrity of the Common Areas and Facilities and provide security and protection of life.

15.4 Power to Reassess.

- a. In all cases where all or part of an assessment for expenses that cannot be promptly collected from the persons or entities liable therefore under the Act or the Declaration, the Management Committee may reassess the same as a common expense to be collected from all Unit Owners, including without limitation the purchaser of a Unit, his successors and assigns.
- b. In addition to the financial statements issuable to purchasers of units, the Management Committee shall provide a current statement of unpaid assessments associated with the unit. The statements shall be given to the unit owner or any person who shall have entered into a binding agreement to purchase the unit and to any mortgagee.

15.5 Lien for Non Payment. (Utah Condominium Ownership Act 57-8-46)

- a. There may be a lien for nonpayment of any assessment.

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- b. A lien for unpaid assessments shall also secure reasonable attorney's fees and all costs and expenses, including taxes, incurred by the Management Committee incident to the collection of such assessments or enforcement of such a lien.

15.6 Establishment of Assessments in the Annual Budget. (Utah Condominium Ownership Act 57-8-16)

- a. At least (15) days prior to the Annual Meeting of the **Association**, the Management Committee shall estimate the common expenses for the coming year. The estimated common expenses shall include such an amount as the Management Committee may deem prudent for general working capital, and for Reserve Fund allocations. This **shall take into account the** amount of any expected income, surplus or deficit in the common expenses for any prior year. **The budget is prepared and approved by the Management Committee and then presented to the Owners for information purposes. The Owners do not vote to approve or ratify the annual budget.**
- b. These estimated common expenses shall be presented **by the Management Committee** at the annual meeting and shall be assessed on a monthly basis to the Unit Owners as set forth in **the Declaration**.
- c. **Within (15) days after the Annual Meeting, the newly elected Committee shall have the right and responsibility to determine if these estimated common expenses will be adequate for the coming year based on a reassessment of the needs, projects and new priorities set by the newly elected committee.** The committee may make such adjustments to the budget line items as needed, or they may make a new estimate of common expenses. If a new assessment is required, a meeting of the **Association** shall be called for that specific purpose as prescribed by the **Act**.
- d. If the estimated common expenses prove inadequate for any reason, including non-payment of any unit owner's **assessments**, the **Management Committee may, with a 67% approval of the Association members voting**, make additional assessments. Such assessments shall be approved in the same manner as the estimated common expenses from the annual meeting.
- e. The failure by the Management Committee to estimate the common expenses shall not be deemed a waiver or modification in any respect of the provisions of the Declaration or a release of the Unit Owners from the

obligation to pay any part of past, present or future assessments. The estimated common expenses fixed for the previous and current year shall continue until a new estimate is fixed.

f. In the event of an emergency, the Management Committee shall have the right to use Reserve Funds to cover the shortfall with or without approval of Association.

15.7 No Owner Exemption. (Utah Condominium Ownership Act 57-8-26)

No Unit Owner may exempt himself from liability for common expenses and all other assessments by waiving the use and enjoyment of any of the Common Areas and Facilities or by abandonment of his unit.

15.8 Reinvestment Fee for New Owner. (Utah State Code 57-1-46)

When a unit is sold, at closing, the escrow company will collect a Reinvestment Fee of .005 of the purchase price. These funds shall be paid along with the first monthly assessment when the new owner takes possession of the unit.

Reinvestment funds may be deposited into the Reserve Account or the Common Expense Account. The Reinvestment Fee shall not be suspended nor waved for any reason for any buyer.

15.9 Reserve Fund Plan. (Utah Condominium Ownership Act 57-8-7.5)

A Reserve Fund Plan shall recommend how the Association may fund the annual contribution to meet the cost of repair, replacement or restoration of the Common Areas and Facilities and funding for any unforeseen shortfall in the general fund. These recommendations must be included as a line item in the annual budget when presented by the Management Committee to the Unit Owners.

15.10 Reserve Analysis. (Utah Condominium Ownership Act 57-8-7.5)

The Management Committee or a Professional Property Analysis Company shall conduct the reserve analysis every six (6) years and an update every three (3) years to determine the current and future needs to maintain the Common Areas and Facilities of Graystone Arms Condominium. The analysis will determine what resources will be required to repair, replace and restore such areas that have a useful life of three (3) years or more and a remaining useful life of less than thirty (30) years. If a list of components identified in the analysis cannot be funded from the general operations budget, the assets in the reserve account shall be used. The Management Committee shall provide annually to Unit

Owners a summary of the most recent reserve analysis and an accounting of the reserve funds spent and accumulated.

15.11 Assessment for Reserve Fund. (Utah Condominium Ownership Act 57-8-7.5)

The assessment for the reserve fund shall have a limit of not more than 25% increase in any one calendar year. The percentage is based on the monthly assessment for general operating funds plus reserve funding or on the reserve analysis projections. Any increase in reserve fund assessments must be approved by 67% of the Unit Owners voting. If the reserve funds prove to be insufficient to complete the expected projects, a special assessment may be necessary.

15.12 Reserve Fund Use. (Utah Condominium Ownership Act)

The Management Committee may not use reserve funds for any purpose other than the purpose for which the reserve fund was established, unless otherwise approved by the Owners and as allowed under the Utah Condominium Ownership Act. Items that appear in the reserve analysis and are set forth in the line item in the annual budget, may be funded as outlined and agreed upon by the Unit Owners.

- a. No expenditure shall exceed \$5,000.00 without the 67% approval of the Unit Owners.
- b. Reserve fund usage exceptions maybe:
 1. a shortfall in the general fund budget, attorney fees, costs of litigation, costs as related to inflation or other financial situations that are out of the control of the Management Committee; and
 2. emergency building repairs, replacement or restoration of the Common Areas and Facilities that require immediate attention for the security, safety, protection of life, property or the structural integrity of the property, association insurance on the building, legal fees associated with the enforcement of Governing Documents and/or other government actions.
- c. Exceptions, if known, may be approved by owners at the presentation of the reserve analysis and the annual budget to the Association or by a meeting called for that specific purpose.

Emergency powers for the prudent use of Reserve Funds shall rest solely with the Management Committee.

15.13 Reserve Funding Veto. (Utah Condominium Ownership Act 57-8-7.5)

Within 45 days after the Association adopts the annual budget, the Unit Owners may veto the reserve funding line item by the approval of 67% of the Unit Owners voting at a special meeting called for that purpose. If the Unit Owners veto a Reserve Fund line item and a Reserve Fund line item exists from a previously approved annual budget that was not vetoed, the Unit Owners shall fund the reserve account in accordance with that prior Reserve Fund line item.

15.14 Investment of Reserve Funds. (Utah Condominium Ownership Act 57-8-7.5)

The Management Committee may prudently invest money in a Reserve Fund, subject to any investment constraints imposed and agreed to by the Association. Investment of Reserve Funds for the purpose of obtaining interest must be approved by the Association membership.

15.15 New Owner Access to Financial Records. (Utah Condominium Ownership Act)

Any person who shall have entered into a written agreement to purchase a unit shall obtain a written statement from the treasurer setting forth the amount of paid and unpaid assessments charged against the Unit Owner and the statement shall be provided to the title company. If such statement does not reveal the full amount of unpaid assessments as of the date rendered, neither the purchaser nor the unit seller shall be liable for the payment of an amount that is greater than the unpaid assessment shown thereon.

15.16 Collection of Past Due Assessments from a New Owner.

The new Unit Owner shall, and the former Unit Owner shall not be liable for any assessments made after the date of transfer of title to a unit.

15.17 Sheriff's Foreclosure Sale (Utah Condominium Owners Act 57-8-44)

16.0 INSURANCE. (Bylaws - Utah Condominium Ownership Act 57-8-43)

16.1 Management Committee Responsibilities. (Utah Condominium Ownership Act)

The Management Committee on behalf of the Association of Unit Owners, shall obtain and maintain at all times insurance of the type and kinds as provided herein, including insurance for such other risks of a similar or dissimilar nature as are or shall hereby customarily be covered with respect to other similar properties. The total amount of coverage provided by blanket property insurance

or guaranteed replacement cost insurance may not be less than 100% of the full replacement cost of the insured property.

1. Exclusive Authority to Adjust Losses.

Exclusive authority to adjust losses shall be vested in the Management Committee as insurance trustee. However, in the event of major issues or losses which concern or affect more than one Unit Owners, notification in writing of such losses must be given before any adjustment can be made.

2. Insurance Coverage Shall Not Be Brought into Contribution.

Unless otherwise required by statute, the insurance coverage shall not be brought into contribution with insurance purchased by individual Unit Owners or required by their respective mortgagee. The Unit Owner is responsible for his portion of the deductible of the Association of Unit Owners Insurance. The deductible amount may vary from \$10,000.00 to \$20,000.00 per incident.

3. Insurance Cannot Be Canceled (Utah Condominium Ownership Act)

Individual insurance cannot be canceled, invalidated or suspended because of the conduct of any one or more individual Owners or their respective employees, agents, contractors and/or guests;

4. General Association (HOA) Insurance Liability.

The insurance coverage cannot be canceled, invalidated or suspended because of the conduct of any Unit Owner, Management Committee member or their employees, agents and contractors, without written notice from the insurance company to cure the defect within 60 days.

16.2 Hazard Insurance. (Utah Condominium Ownership Act 57-8-43)

The Management Committee, on behalf of the Association of Unit Owners, shall at all times maintain in force Hazard Insurance.

- a. A multi-peril type policy covering the entire condominium project (both units and Common Areas and Facilities) shall be maintained. Such policy shall provide coverage against loss or damage by fire and other hazards covered by the standard extended coverage endorsement, including sprinkler leakage, debris removal, cost of demolition, vandalism, malicious mischief, windstorm, water damage, and all other coverage of the kinds and in the amounts commonly required by private institutional mortgage investors with respect to condominium projects similar to the project location and use. As a minimum, such policy shall provide

coverage on a replacement cost basis in an amount not less than that necessary to comply with any co-insurance percentage specified in the policy but not less than 100 percent of the full insurance value (based upon replacement costs). Such policy shall include, if available at reasonable and appropriate cost;

1. an "Agreed Amount Endorsement" or its equivalent;
2. an "Inflation Guard Endorsement" or its equivalent;
3. a "Demolition and Contingent Liability for Operation of Building Laws Endorsement" or its equivalent;
4. an "Increased Cost of Construction or Reconstruction "Endorsement" or its equivalent.

- b. If the property is or comes to be situated in a local identified by The Secretary Housing and Urban Development as an area having special flood hazards and the sale of flood insurance has been made available under the National Flood Insurance act of 1968, as amended, a "blanket" policy of Flood Insurance on the condominium projects shall be obtained and maintained. The minimum amount of coverage afforded by such policy shall be the lesser of the maximum limit of coverage available under said Act or the affecting the individual units. Such policy shall be in the form of the standard policy issued by members of the National Flood Insurance Association or in the form of a policy which meets criteria established by the Flood Insurance Administration.
- c. The named insured under each policy required to be maintained by the foregoing items shall be:
 1. Association of Unit Owners of Graystone Arms Condominium, for the use and benefit of the individual owners." The Unit Owners shall be designated by name, if required.
 2. Each policy shall include the standard mortgagee clause (without contribution) which either shall be endorsed to provide that any proceeds shall be paid to the Association of Unit Owners for the use and benefit of mortgagees as their interests may appear or shall be otherwise endorsed to fully protect the interests of mortgagees. In addition, the mortgagee clause shall provide that the insurance carrier shall notify each mortgagee at least thirty (30) days in advance of the effective date of any reduction in or cancellation of the policy.

3. Each policy shall provide that, notwithstanding any provision therefore which gives the carrier the right to elect to restore damage in lieu of making a cash settlement. Such an option shall not be exercisable without the prior written approval of the Association or such option is in conflict with any governing law.

16.3 Fidelity Insurance. (Utah Condominium Ownership Act 57-8-43)

The Management Committee will maintain Fidelity Coverage against dishonest acts on the part of a manager (and employees of managers), trustees, employees, officers, committee members, or volunteers responsible for handling funds belonging to or administered by the Management Committee. The Fidelity Bond or Insurance shall name the Association as the obligate or insured and shall be written in an amount sufficient to afford the protection reasonably necessary, but in no event less than one and one-half times (1.5 %) of the property's estimated annual common expenses and reserve **assessments**. An appropriate endorsement to the policy shall be secured to cover persons who serve without compensation if the policy would not otherwise cover volunteers.

16.4 Liability Insurance. (Utah Condominium Ownership Act 57-8-43)

The Management Committee shall at all times maintain in force a comprehensive policy of Public Liability Insurance covering all of the Common Areas and Facilities. Such insurance shall include:

- a. "Severability of Interest Endorsement" or its equivalent which shall preclude the insurer from denying the claim of a Unit Owner because of negligent acts of other owners; and
- b. protection against water damage **liability**, liability for non-owner **vehicle** or a hired vehicle, liability for property **damaged by** others, liability for elevator failure and such other coverage of the kinds and in the amounts commonly required.
- c. The limits of liability under such insurance shall not be less than \$1,000,000.00 (one million) for all claims for personal injury, property damage or lawsuits against the Association arising out of a single occurrence.

16.5 Unit Owners Insurance. (Bylaws, Utah Condominium Ownership Act 57-8-43)

Unit Owners should obtain additional insurance coverage for their real and personal property at their own expense. Unless otherwise required by statute, Association of Unit Owners insurance coverage need not be brought into

contribution with insurance purchased by individual owners. The Unit Owner is responsible for his portion of the deductible of the Association of Unit Owners Insurance. The deductible amount may vary from \$10,000.00 to \$20,000.00 per incident.

17.0 DESTRUCTION OR DAMAGE. (Utah Condominium Ownership Act)

17.1 Destruction or Damage Procedure. (Utah Condominium Ownership Act)

In the event of damage to or destruction of part or all of the improvements on the Condominium **property**, the following **guidelines** shall apply:

- a. If proceeds of the insurance maintained by the Management Committee are alone sufficient to repair or reconstruct the damaged or destroyed improvement, such repairs or reconstruction shall be made.
- b. If less than 75% of the property is destroyed or substantially damaged, and if proceeds of the insurance maintained by the Management Committee are not alone sufficient to accomplish repair or reconstruction, restoration shall be carried out and all the Unit Owners shall be assessed for any deficiency on the basis of the **equal** interest in the Common Areas and Facilities and/or square footage of an individual unit.
- c. If 75% or more of the property is destroyed or substantially damaged, and if proceeds of the insurance maintained by the Management Committee are not alone sufficient to accomplish restoration, and if the Unit Owners, within 100 days after the destruction or damage is declared, approve with at least 67% of owners voting to elect to repair or reconstruct the affected improvements, restoration shall be accomplished in the manner directed under the subparagraph above.
- d. If 67% approval of owners voting to repair is not met, the Management Committee shall promptly record with the Salt Lake County Recorder a notice setting forth such facts. Upon recording of such notice, the provisions shall apply and shall govern the rights of all parties that have an interest in the property or any of the units.

17.2 Determination of Damage.

The percentage of damage shall be determined in the following manner:

- a. The Management Committee shall select three MAI appraisers.
- b. Each appraiser shall independently arrive at a figure representing the percentage of property which has been destroyed or substantially damaged.

- c. The percentage which governs the application of the provisions shall be the average of the three appraisals.

18.0 TERMINATION. "Removal of Property from Statutory Provisions"

The terms of the Utah Condominium Ownership Act shall apply.

19.0 EMINENT DOMAIN.

The terms of the Utah Condominium Ownership Act shall apply.

20.0 AMENDMENT.

Power of Management Committee to Amend (Utah Condominium Ownership Act)

Except as provided and not inconsistent with the Act, the Management Committee shall have the right to amend this Declaration upon the approval of **67% of the Unit Owners** voting. Any amendment shall be accomplished by the recording of an instrument whereby the Management Committee certifies that the Unit Owners have approved the change.

21.0 NOTICE.

21.1 Delivery of Notice (Utah Condominium Ownership Act 57-8-42)

- a. Notice to owners required or permitted by this Declaration or other Governing Documents may be delivered by the U.S. Postal Service, delivery service, electronic delivery, or in person. Notices may also be posted in designated areas within the condominium.
- b. Unit Owner's may submit in writing to the Management Committee their preference for ways of receiving notices.
- c. Unit Owners will give the Management Committee in writing their personal addresses for the U.S. Postal Service, delivery services or electronic delivery. It is the Unit Owners' responsibility to inform the Management Committee in writing of any changes to these addresses.
- d. Electronic sending of documents shall be left to the ability and discretion of the Management Committee to do so.
- e. Notifications from Owners shall be addressed to Graystone Arms HOA, 2760 Highland Dr., Salt Lake City, Utah 84106 and delivered to the Committee Secretary.

22.0 NO WAIVER OF DECLARATION.

The Terms, Conditions, Covenants and Restrictions of the Declaration remain binding even if the Management Committee or its contractors fail to enforce them.

23.0 SEVERABILITY.

In the event that any of the language of this Declaration is invalid because of conflict with Utah State Code, the Utah Condominium Ownership Act or errors in writing the remainder of the Declaration remains valid.

24.0 GENDER.

Singular pronouns in the document also refer to plural pronouns when appropriate. Any general pronoun can be applied to corporations, individuals, women or men, when appropriate.

25.0 TOPICAL HEADINGS.

The topical headings of this Declaration are for convenience only and do not limit or fully define the contents of sections or paragraphs.

26.0 EFFECTIVE DATE.

This Declaration and/or any amendments shall take effect upon recording with the Salt Lake County Recorder's office, State of Utah. Documents must be recorded within 7 days of the ratification.

EXHIBIT A

LEGAL DESCRIPTION

The following property is located in Salt Lake County, Utah:

Beginning at the Northeast corner of Lot 30, Charlton Subdivision, located in Block 27, 10 Acre, Plat "A", Big Field Survey, and running thence N 15 degrees 33' 58" W along the West right of way line of Highland Drive 148.46 feet; thence S 89 degrees 52' 12" W 178.98 feet; thence S 0 degrees 04' 22" W 143.099 feet; thence N 89 degrees 52' 12" E 53.84 feet; thence S 0 degrees 04' 22" W 125.99 feet; thence N 89 degrees 54' 13" E 155.54 feet to the West right of way line of the Utah State Expressway Project No. 0147; thence N 44 degree 30' E along said West right of way line 49.915 feet to the West right of way line of Highland Drive; thence N 15 degrees 33' 58" W along said West right of way line 93.94 feet to the point of beginning.

Together with a 33.0 foot right of way easement over the following, beginning at a appoint on the West line of Highland Drive, said point being N 15 degrees 33' 58" W 148.46 feet from the Northeast corner of Lot 30, Charlton Subdivision, Located in Block 27, 10 acre Plat "A" Big Field Survey, and running thence N 15 degrees 33' 58" W along the West line of Highland Drive 33.22 feet; thence S 89 degrees 52' 12" W 169.87 feet; thence S 0 degrees 07' 48" E 33.00 feet; thence N 89 Degrees 52' 12" E 178.98 feet to the point of beginning.

Subject to an 18.0 foot joint right of way described as follows:

Beginning at a point N 15 degrees 13' 58" W 148.46 feet, N 15 degrees 33' 58" W along the West line of Highland Drive 34.22 feet, S 89 degrees 52' 12" W 169.87 feet, and S 0 degrees 07' 48" E 33.00 feet from the Northeast Corner of Lot 30, Charlton Subdivision, located in Block 27, 10 Acre Plat "A" Big Field Survey, and running thence S 0 degree 04' 22" W 143.099 feet; thence N 89 degrees 52' 12" E 18 feet; thence N 0 degree 04' 22" E 143.099 feet; thence S 89 degrees 52' 12" 18.0 feet, to the point of beginning.

Parcel Numbers: 16292370010000 through 16292370250000.

EXHIBIT "B"
OF THE DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS OF
GRAYSTONE ARMS CONDOMINIUM

<u>Unit #</u>	<u>Size (In Sq. Ft)</u>	<u>Percentage</u>	<u>Parcel Number Lot #</u>
	Graystone Arms Condo Property - 2760 Highland Dr. SLC, UT		
1	1722	4.458	16-29-237-001-0000
2	1722	4.458	16-29-237-002-0000
3	1289	3.337	16-29-237-003-0000
4	1289	3.337	16-29-237-004-0000
5	1289	3.337	16-29-237-005-0000
6	1289	3.337	16-29-237-006-0000
7	1722	4.458	16-29-237-007-0000
8	1722	4.458	16-29-237-008-0000
9	1722	4.458	16-29-237-009-0000
10	1722	4.458	16-29-237-010-0000
11	1668	4.318	16-29-237-011-0000
12	1289	4.337	16-29-237-012-0000
13	1668	4.318	16-29-237-013-0000
14	1664	4.308	16-29-237-014-0000
15	1722	4.458	16-29-237-015-0000
16	1722	4.458	16-29-237-016-0000
17	1798	4.654	16-29-237-017-0000
18	1761	4.559	16-29-237-018-0000
19	1668	4.318	16-29-237-019-0000
20	1289	3.337	16-29-237-020-0000
21	1668	4.318	16-29-237-021-0000
22	1664	4.308	16-29-237-022-0000
23	1798	4.654	16-29-237-023-0000
24	1761	4.559	16-29-237-024-0000
		100 %	

Updated 01/10/22

Entry Number 3618378

Book 1981 P

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Register 10/28/1981

**Signature Page to the
Declaration of Covenants Conditions and Restrictions
Of
Graystone Arms Condominium**

DATED this 12th day of February, 2025

Graystone Arms Condominium Committee Chairman

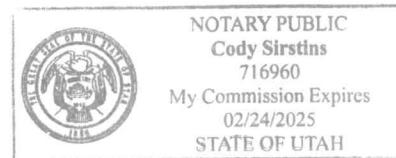
By: Ross L. Olsen
Chairman

State of Utah)

County of Salt Lake)

On the 12th Day of February, 2025 Ross L. Olsen personally appeared before me, being duly sworn, did say that he is the Chairman of the Management Committee of Graystone Arms Condominium and that this document was signed on behalf of the Graystone Arms Condominium Association of Unit Owners by authority of a resolution of the Association of Unit Owners.

In the County of Salt Lake, State of Utah, on
this the 12th Day of February 2025, a notary public,
personally appeared Ross L. Olsen
proved on the basis of satisfactory evidence to be
the person who name subscribed to this instrument,
and acknowledged he executed the same.



Cody Sirstins
Notary Signature and Seal

Ross L. Olsen
Ross L. Olsen - Signature
HOA Chairman