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SHERYL L. WHITE, DAVIS CNTY RECORDER
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REC'D FOR BLOSCH BUILDING & DEVELOPMENT

Units 1 thru 6 + Common Area
Silver Pine Townhomes 5 A/D for
01-246-0001 thru 0007

3-26-99

SILVER PINE TOWNHOMES, A PLANNED UNIT DEVELOPMENT

THIS DECLARATION is made and executed by BLOSCH BUILDING & DEVELOPMENT, INC., a Utah S Corporation, sole owner as described on the Record of Survey Map, hereinafter referred to as "Declarant," pursuant to the provisions of the Utah Condominium Ownership Act, Utah Code Annotated 57-8-1 through 57-8-36, for itself, its successors, grantees and assigns.

Article 1

RECITALS

Declarant is the sole owner of that certain real property in North Salt Lake, Davis County, Utah, which is described in Exhibit "A" attached hereto and made a part hereof by this reference.

They have been constructed buildings and other improvements thereon in accordance with the plans and drawings set forth in the Record of Survey Map filed concurrently herewith, consisting of ____ sheets, prepared by Hill Jamison & Associates, and certified by Dean P. Jamison a registered land Surveyor.

Declarant desires by filing this Declaration and the aforesaid Record of Survey map to submit the above described real property and the said buildings and other improvements constructed thereon to the provisions of the Utah Condominium Ownership Act as an expandable Condominium Project known as SILVER PINE TOWNHOMES, A Planned Unit Development.

Declarant desires and intends to sell the fee title to the individual units contained in said Condominium Project, together with the undivided ownership interests in the Common Areas and Facilities appurtenant thereto, to various purchasers, subject to the covenants, limitations, and restrictions contained herein.

NOW, THEREFORE, for such purposes, Declarant hereby makes the following Declaration containing covenants, conditions and restrictions relating to this Condominium Project which, pursuant to the provisions of the Condominium Ownership Act of the State of Utah, shall be enforceable equitable servitude's, where reasonable, and shall run with the land:

ARTICLE II

DEFINITIONS

1. **Name.** The name by which the Condominium Project shall be known is SILVER PINE TOWNHOMES, A Planned Unit Development (herein after "SILVER PINE TOWNHOMES.)
2. **Definitions.** The terms used herein shall have the meaning stated in the Utah Condominium Ownership Act and as given in this section 2.
 - (a) The word "Declarant" shall mean BLOSCH BUILDING & DEVELOPMENT, INC. a Utah S Corporation, sole owner as described on the Record of survey map, which has made and executed this Declaration and/or any successor to or assignee of Declarant which, either by operation of law or through voluntary conveyance, transfer or assignment, comes to stand in the same relation to the Project as did its predecessor.
 - (b) The word "Act" shall mean and refer to the Utah Condominium Ownership Act, Utah Code Annotated 1953. 57-8-1 through 57-8-36 as the same now exists and as it may be amended from time to time.
 - (c) The word "Condominium" shall mean and refer to a single unit in this Condominium Project together with an undivided interest in common with other unit owners in the Common Areas and Facilities of the property, and together with all other appurtenances belonging thereto, as described in this Declaration.
 - (d) The word "Declaration" shall mean this instrument by which SILVER PINE TOWNHOMES is established.
 - (e) The word "Property" shall mean and include the land, described in Article 1, the buildings, all improvements and structures thereon, all easements, rights and appurtenances belonging thereto, and all articles of personal property intended for use in connection therewith.
 - (f) The words "Condominium Project" sometimes the "Project shall mean and refer to the entire Property, as defined above, together with all rights, obligations and organizations established by this Declaration.
 - (g) The word "Map" shall mean and refer to the Record of Survey Map of SILVER PINE TOWNHOMES recorded herewith by Declarant.
 - (h) The word "Unit" shall mean and refer to one of the Units, which is designated as a Unit on the map, and more particularly described in Article V 3, hereof.

(i) The words "unit Owner" or "Owner" shall mean the entity, person or persons owning a Unit in the Condominium Project in fee simple and an undivided interest in the fee simple estate of the Common Areas and Facilities as shown in the records of the County Recorder of Davis County, Utah. The term Unit Owner or Owner shall not mean or include a mortgagee or beneficiary or trustee under a deed or trust unless and until such a party has acquired title pursuant to foreclosure or any arrangement or proceeding in lieu thereof.

(j) The words "Association of Unit Owners" or "Association" shall mean and refer to the unit Owners taken as, or acting as, a group in accordance with the Declaration and the Bylaws attached hereto as Exhibit "B", which Bylaws are hereby incorporated herein.

(k) The words "Unit Number" shall mean and refer to the letter, number or combination thereof designating the Unit in the Declaration and in the Map.

(l) The words "Management Committee" or "Committee" shall mean and refer to the committee as provided in the Declaration and the Bylaws hereto attached as Exhibit "b". Said Committee is charged with and shall have the responsibility and authority to make and to enforce all of the reasonable rules and regulations covering the operation and maintenance of the Project.

(m) The term "Manager" shall mean and refer to the person, persons, or Corporation, if any, selected by the Management Committee to manage the affairs of the Condominium Project.

(n) The term "Common Areas and Facilities" shall mean and refer to:

- (1) The land described on Exhibit "A" attached;
- (2) That portion of the Property not specifically included in the respective Units as herein defined;
- (3) All columns, girders, beams, supports, roofs, halls, corridors, stairs, stairways, yards, landscaping, streams, ponds, pump stations, sprinkler systems, fire sprinkler systems, cable television systems, fences, service and parking areas and in general all other apparatus, installations and other parts of the Property necessary or convenient to the existence, maintenance and safety of the foregoing or normally in common use;
- (4) Those areas specifically set forth and designated in the Map as "Common Area" or Limited Common Area" and
- (5) All Common Areas and Facilities as defined in the Act, whether or not expressly listed herein.

(o) The words "Common Expenses" shall mean and refer to: All expenses of administration, maintenance, repair or replacement of the Common Areas and Facilities including an adequate reserve fund for maintenance, repair and replacement of those Common Areas and Facilities that must be replaced on a periodic basis; all items, things and sums described in the Act which are lawfully assessed against the Unit Owners in accordance with the provisions of the Act, this Declaration, the Bylaws, and such rules and regulations pertaining to the Condominium Project as the Association of Unit Owners or the Management Committee may from time to time adopt; and such other expenses incurred pursuant to agreements lawfully made and/or entered into by the Management Committee.

(p) The words "Limited Common Area" shall mean and refer to those portions of the Common Areas and Facilities reserved for the exclusive use of certain Unit Owners, as specified herein. The Limited Common Areas shall be the lawn area specified for each unit, driveways specified for each unit, sidewalk from driveway to front porch, and patios that are adjacent to, contiguous with and open into the Units, as more particularly identified in the Map. The use and occupancy of the Limited Common Areas shall be reserved to its associated Unit, and each Unit Owner is hereby granted an irrevocable license to use and occupy the same so long as such Owner owns the Unit associated with such Limited Common Area.

(q) The words "Utility Services" shall include, but not be limited to, water, trash collection and sewage disposal.

(r) Those definitions contained in the Act, to the extent they are applicable hereto and not inconsistent herewith, shall be and are hereby incorporated herein by reference and shall have the same effect as if expressly set forth herein and made a part hereof.

ARTICLE III

SUBMISSION TO CONDOMINIUM OWNERSHIP

Declarant hereby submits the Property to the provisions of the Act and this Declaration is submitted in accordance with the terms and the provisions of the Act and shall be construed in accordance therewith. It is the intention of Declarant that the provisions of the Act shall apply to the Property.

ARTICLE IV

COVENANTS TO RUN WITH THE LAND

This Declaration contains covenants, conditions and restrictions relating to the Project which area and shall be enforceable equitable servitude's which shall run with the land and be binding upon Declarant, its successors and assigns and upon all Unit Owners or subsequent Unit Owners, their grantees, mortgagees, successors, heirs, personal representatives, devisees and assigns.

ARTICLE V

DESCRIPTION OF PROPERTY

1. Description of Land. The land is that tract or parcel in Davis County, Utah, more particularly described in Article I of this Declaration.

2. Description of Improvements. The Project has been constructed in accordance with the information contained in the Map. The buildings in the Project are of brick, stucco and siding construction and contain a total of Six (6) units, all of which are townhouses. Electricity and gas are separately metered to each Unit. Each unit has a garage, separate furnace or heating system, and water heater, standard kitchen appliances, oven and carpet. The Project will be subject to the easements which are reserved through the project and as may be required for Utility Services.

3. Description of Legal Status of Units. The map and Exhibit "C" hereto show the unit Number of each Unit, its location, and the Common Areas and Facilities to which it has access. All Units shall be capable of being independently owned, encumbered and conveyed.

(a) Each unit shall include that part of the land and building containing the Unit which lies within the boundaries of the Unit, which boundary shall be determined in the following manner:

- (1) The upper boundary shall be the plane of the outer surface of the roof over each Unit;
- (2) The lower boundary shall be the land upon which each Unit is build and;

- (3) The vertical boundaries of the Unit shall be (i) the exterior surface of the outside walls of the building; and (ii) the interior surface of any common or party walls bounding a Unit.

4. Description of Common Areas and Facilities. Except as otherwise provided in this Declaration, the Common Areas and Facilities shall consist of the areas and facilities described in the definitions and constitute in general all of the parts of the Property except the Units. Without limiting the generality of the foregoing, the Common Areas and Facilities shall include the following, whether located within the bounds of a Unit or not;

- (a) All structural parts of common or party walls, including columns, joists, beams, supports, and supporting walls;
- (b) driveways, parking areas, patios, balconies, lawns, sprinkler systems, shrubs, trees, ponds, streams, entrance ways and storage areas;
- (c) any utility pipe or line or system servicing more than a single unit, including but not limited to any cable television system, and all ducts, wires, conduits, and other accessories used therewith.
- (d) all other parts of the 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 Map;
- (e) all repairs and replacements of any of the foregoing.

ARTICLE VI

ALTERATIONS

For one (1) year following the recordation hereof, Declarant reserves the right to change the interior design and interior arrangement of any Unit and to alter the boundaries between Units or to combine Units, so long as the Declarant owns the Units so altered or combined. Any change of the boundaries between Units, or any alteration of the Common Areas shall be reflected by an amendment of this Declaration and of the Map which may be executed by the Declarant alone, notwithstanding the procedures for amendment described in Article XXII of this Declaration. Any change in Unit size shall be accompanied by a reallocation of fractional interests in Common Area on a square-footage basis. No such change shall increase the number of Units nor materially alter the boundaries of the Common Areas and Facilities nor change the fraction of ownership of Common Areas and Facilities associated with the non-altered or non-combined Units without amendment of this Declaration and of the Map in the manner described in Article XXII of this Declaration.

ARTICLE VII

STATEMENT OF PURPOSE AND RESTRICTION ON USE

1. **Purpose.** The purpose of the Condominium Project is to provide residential housing space for Unit Owners, their families, guests and lessees, and to provide parking space for use in connection therewith, as in accordance with the provisions of the Act.

2. **Restrictions on Use.** The Units and Common Areas and Facilities shall be used and occupied as hereinafter set forth:

- (a) Each of the Units shall be occupied only as a residence and for no other purpose. No business shall be operated in or from any Unit itself other than the rental of the Unit itself, subject to applicable zoning and business regulation laws and ordinances. The Common Areas and Facilities shall be used only for the purposes for which they are intended.
- (b) nothing shall be done or kept in any unit or in the Common Areas and Facilities which will increase the rate of insurance on the building or contents thereof beyond that customarily applicable for residential use, or will result in the cancellation of insurance on the building, or the contents thereof, without the prior written consent of the Management Committee. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Areas and Facilities which is in Violation of Any law or regulation of any governmental authority.
- (c) No unit Owner shall cause or permit anything (including, without limitation, an individual television antenna, an awning, canopy, shutter, storm door or screen door) to hang, be displayed, be visible or otherwise be placed on the exterior walls or roof of any building or any part thereof, or on the outside of windows or doors, without the prior written consent of the Management Committee. No sign of any kind shall be displayed to the public view on or from any residential Unit or the Common Areas unless it is for the common benefit of all Unit Owners.
- (d) No noxious or offensive activity shall be carried on 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.

- (e) Nothing shall be done in any Unit or in, on or to the Common Areas and Facilities which will impair the structural integrity of the Building or any part thereof or which would structurally change the building or any part thereof except as is otherwise provided herein.
- (f) No pets or animals of any kind shall be allowed, kept bred or raised in any unit or on any of the Common Areas in the Project, except pursuant to rules and regulations established by the Management Committee.
- (g) The Common Areas and Facilities shall be kept free and clear of all rubbish, debris and other unsightly materials.
- (h) no admission fees, charges for use, leases or other income-generating arrangement of any type shall be employed or entered into with respect to any portion of the Common Areas and Facilities without the prior written consent of the Management Committee.

ARTICLE IX

PERSON TO RECEIVE SERVICE OF PROCESS

The person to receive service of process in the cases provided herein or in the Act is Marvin A. Bloch, 750 So Main St Suite 104 First Financial Center, Bountiful City, Utah 84010. The said person may be changed by the recordation by the Management Committee of an appropriate instrument.

ARTICLE IX

OWNERSHIP AND USE

1. Ownership of a Unit. Except with respect to any of the Common Areas and Facilities located within the bounds of a Unit, each Unit Owner shall be entitled to the exclusive ownership and possession of his Unit and to the ownership of the undivided interest in the Common Areas and Facilities set forth on Exhibit "C" hereto.

2. Nature of and Restrictions on Ownership and Use. Each Unit Owner shall have and enjoy the rights and privileges of fee simple ownership of his Unit. There shall be no requirements concerning who may own Units, it being intended that they may and shall be owned as any other property rights by persons, corporations, partnerships or trusts and in the form of common or joint tenancy so long as no unit is owned by more than six persons or

entities. The Unit Owners may lease or rent their units with their appurtenant rights subject to terms and conditions chosen solely by the Unit Owner and his lessee, except that all Unit Owners, their tenants and other occupant or users of the Project, shall be subject to the Act, this Declaration, the Bylaws, and all rules and regulations of the Association of Unit Owners and Management Committee.

3. Prohibition against Subdivision Of Unit. Except as provided in Article VI above, no Unit Owner, by deed, plat or otherwise, shall subdivide or in any manner cause his Unit to be separated into time intervals or into physical tracts or parcels smaller than the whole Unit as shown on the Map.

4. Ownership of Common Areas and Facilities. The Common Areas and Facilities contained in the Project are described and identified in Article V of this Declaration. Said Common Areas and Facilities shall be owned by the Unit Owners as tenants in common. No fractional ownership interest in the Common Areas and Facilities shall be separated from the Unit to which it appertains; and even though not specifically mentioned in the instrument of transfer, such a fraction of undivided ownership interest shall automatically accompany the transfer of Unit to which it relates. A unit Owner's fractional ownership interest in the Common Areas and Facilities shall be the same for all purposes, including voting and assessment of common expenses. The fractional ownership interests in the Common area are set forth in Exhibit "C" hereto.

5. Use of Common Areas and Facilities. The Common Areas and Facilities shall be used only in a manner which is consistent with their community nature and with the use restrictions applicable to the Units contained in the Project, subject to the Declaration and Bylaws. This Right of Use shall be appurtenant to and run with each Unit.

ARTICLE X

LIMITED COMMON AREAS

Each unit Owner shall be entitled to the exclusive use and occupancy of the Limited Common Areas assigned to this Unit as set forth in Exhibit "C", or as shown on the Map, subject, however, to the same restrictions and use which apply generally to the Common Areas and Facilities and to Rules and Regulations to be promulgated by the Management Committee as authorized in the Bylaws. Such right to use the Limited Common Areas shall be appurtenant to and contingent upon ownership of the Unit associated therewith, and even though not specifically mentioned in the instrument of transfer, shall automatically pass to the grantee or transferee of such Unit. Such right of use shall not be revocable, nor may it be voluntarily or involuntarily relinquished, waived, or abandoned.

ARTICLE XII

MANAGEMENT

1. Management Committee. The business, property and affairs of the project shall be managed, operated and maintained by a Management Committee as agent for the Unit Owners. The Management Committee shall, in connection with its exercise of any of the powers delineated in paragraphs (a) through (g) below, constitute a legal entity capable of dealing in its own name. The Management Committee shall have, and is hereby granted, the following authority and powers:

- (a) the authority, without the vote or consent of the Unit Owners or of any other person(s), to grant or create, on such terms as it deems advisable, utility and similar easements over, under across and through the Common Areas and Facilities;
- (b) the authority to execute and record, on behalf of all Unit Owners, any amendment to the Declaration or Map which has been approved by the vote or consent necessary to authorize such amendment;
- (c) the power to sue and be sued;
- (d) the authority to enter into contracts which in any way concern the Project, so long as any vote or consent of the Unit Owners necessitated by the subject matter of the agreement has been obtained;
- (e) the power and authority to convey or transfer any interest in real property, as long as any vote or consent necessary under the circumstances has been obtained;
- (f) the authority to promulgate such reasonable rules, regulations, and procedures as may be necessary or desirable to aid the Committee in carrying out any of its functions or to insure that the Project is maintained and used in manner consistent with the interests of the Unit Owners; and
- (g) the power and authority to perform any other acts and to enter into any other transactions which may be reasonably necessary for the Management Committee to perform its functions as agent for the Unit Owners.

Any instrument executed by the Management Committee that recites facts which, if true, would establish the Committee's power and authority to accomplish through such instrument what is purported to be accomplished thereby, shall conclusively establish said power and authority in favor of any person who in good faith and for value relies upon said instrument.

2. **Composition of Management Committee.** The Committee shall be composed of four (4) members, each elected for a two year term. At the first Owners meeting one of the members shall be elected for only a one year term so that elections and vacancies can be staggered. At each regular Owners meeting, Committee members shall be elected for any vacant positions. Except for the initial management Committee, only Unit Owners and officers and agents shall be eligible for Committee membership. At the annual meeting, the Owner(s) of each Unit shall be entitled to one (1) vote for each seat to be filled. Said votes may be voted in favor of as many candidates for Committee membership as the Owner(s) desire, or may cumulated and voted for a lesser number of candidates: provided: however, that until the annual Owners meeting held in May 1999 or at any earlier time determined by Declarant in its sole discretion, Declarant alone shall be entitled to select the Committee members. Notwithstanding the foregoing limitations, until the first meeting of the Owners, the members of the Committee shall be the Following persons and each shall hold office as indicated.

Jonathon B. Blosh	President
Connie J. Blosh	Vice-president
Albert S. Blosh	Secretary
Marvin A. Blosh	Assistant Secretary
Jonathon B. Blosh	Treasurer

Committee members shall be reimbursed out of common expense assessments for all expenses reasonably incurred in connection with Committee business, but shall receive no additional compensation for their services a Committee members.

3. **Responsibility.** The Management Committee shall be responsible for the control, operation and management of the Project in accordance with the provisions of the Act, this Declaration, such administrative, management and operational rules and regulations as it may adopt from time to time as herein provided, and all agreements and determinations lawfully made and entered into by said Committee.

4. **Approval Required.** The Management Committee shall not, without the prior favorable vote or the written consent of the Owners of a majority interest in the undivided ownership of the Common Area, have the authority to purchase or sell any real property or add any property to the Common Area.

5. **Additional facilities.** The management Committee shall, subject to any necessary approval, have the authority to provide such facilities, in addition to those for which provisions has already been made, as it may deem to be in the best interests of the a Unit Owners and to effect the necessary amendment of documents and maps in connection therewith.

6. Name. the Management Committee shall be known as the SILVER PINE TOWNHOMES Management Committee.

7. Manager. The Committee may carry out through a Project Manager any of its functions which are properly the subject of delegation. Any manager so engaged shall be an independent contractor and not an agent or employee of the Committee, shall be responsible for managing the Project for the benefit of the Committee and the Unit Owners, and shall, to the extent permitted by law and the terms of the agreement with Committee, be authorized to perform any of the functions or acts required or permitted to be performed by the Management Committee itself. Any agreement for professional management of the Project or any other contract providing for services of the Declarant which may be entered into by the Management Committee or the Association shall call for a term not exceeding three (3) years and shall provide that such management agreement may be terminated by the Management Committee or by the Association without cause and without payment of a termination fee upon not in excess on ninety (90) days written notice.

ARTICLE XIII

EASEMENTS

1. 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 within the boundaries of such Unit or reasonably accessible only through such Unit.

2. In the event that, by reason of the construction, reconstruction, settlement or shifting of any part of a building, any part of the Common Areas and Facilities encroaches or shall hereafter encroach upon any part of any Unit or any part of any Unit encroaches or shall hereafter encroach upon any part of the Common Areas and Facilities or any other Unit, valid easements for such encroachment and the maintenance of such encroachment are hereby established and shall exist for the benefit of such Unit and the Common Areas and Facilities, as the case may be, so long as all or any part of the building containing any such Unit shall remain standing; provided, however, that 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 of such Unit Owner or Owner(s) occurring after the date on which this Declaration is recorded.

ARTICLE XIV

CHANGE IN OWNERSHIP

The Management Committee shall maintain up-to-date records showing the name of each Owner, the address of such Owner, and the Unit which is owned by him. In the event of any transfer of a fee or undivided fee interest in 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 of record in the office of the County Recorder of the county where the Project is located. The Management Committee may for all purposes act and rely on the information concerning Owners and Unit Ownership which is thus acquired by it or, at its option, the management Committee may act and rely on current ownership information respecting any unit or Units which is obtained from the office of the County Recorder of the county where the Project is located. The address of an Owner may be deemed to be the address of the Unit owned by such Owner unless the Management Committee is otherwise advised. An Owner who fails to so furnish the above information shall continue to be liable for monthly assessments of common expenses even after transferring ownership of the Unit.

ARTICLE XV

ASSESSMENTS

Every Unit Owner shall pay his proportionate share of the Common Expenses. Payment thereof shall be in such amounts and at such times as the Management Committee determines in accordance with the Act, the Declaration or the Bylaws. There shall be a lien for nonpayment of Common Expenses as provided in the Act.

In assessing Unit Owners for capital improvements, no assessment for a single improvement in the nature of capital expenditure exceeding the sum of Ten Thousand Dollars (\$10,000.00) shall be made without the same having been first voted on and approved by at least a majority of the Project's undivided ownership interest.

ARTICLE XVI

TAXES

It is understood that under the Act each unit, together with its fraction of undivided interest in the Common Areas and Facilities in the Project, is deemed a parcel and subject to separate assessment and taxation by each assessing unit and special district for all types of taxes authorized by law. Each Unit Owner will, accordingly, pay and discharge any and all taxes which may be assessed against his Condominium. All taxes, assessments and charges which may become liens prior to any First mortgage shall relate only to the individual Unit against which they are assessed and not to the Project as a whole.

ARTICLE XVII

PAYMENT OF EXPENSES

1. Each unit Owner shall pay the Management Committee his allocated portion of the cash requirement to manage and operate the Condominium Project, upon the terms, at the time, and in the manner here in provided without any deduction on account of any set-off or claim which the Owner may have against the Management Committee or Association. If the Unit Owner shall fail to Pay any installment within ten (10) days of the time when the same becomes due, the Owner shall pay any installment within ten (10) days of the time when the same becomes due, the Owner shall pay interest thereon at the rate of twenty (20%) per annum from the date when such installment shall become due to the date of the payment thereof.
2. The Cash requirements above referred to for each year, or portion the year, are hereby defined and shall be deemed to include an adequate reserve fund for maintenance, repairs and replacement of those Common Areas and Facilities that must be replaced on a periodic basis, plus such aggregate sum as the Management Committee from time to time shall determine, in its judgment, is to be paid by all the Owners of the Condominium Project then in existence to enable the Management Committee to pay all estimated expenses and outlays of the Management Committee to the close of such year, growing out of or in connection with the maintenance and operation of such land, building, and improvements; which sum may include, among other things, the cost of management, special assessments, fire, casualty, flood, fidelity, public liability and renovations to Common Areas and Facilities, snow removal, wages, all utility services (except telephone, electricity, water and other services which are separately billed or metered to the individual Units by the utility or party furnishing such service), legal and accounting fees, management fees, expenses and liabilities incurred by the Management Committee under or by reason of this Declaration, the payment of any deficit remaining from the previous period, the creation of a reasonable contingency or other necessary reserve or surplus

fund, as well as all other costs and expenses relating to the Condominium Project. The Management Committee may, from time to time, up to the close of the year for which such cash requirements have been so fixed or determined, increase or diminish the amount previously fixed or determined for such year. It may include in the cash requirements for any year, any liabilities or items of expense which accrued or became payable in the previous year, or which might have been included in the cash requirements for a previous year, but were not included therein and also any sums which the Management Committee may deem necessary or prudent to provide a reserve against liabilities or expenses then accrued or thereafter to accrue although not payable in that year.

3. The portion payable with respect to each Unit in and for each year for a portion of a year shall be a sum equal to the aggregate amount of such cash requirements for such year, or portion of year, determined as aforesaid, multiplied by the fraction of undivided interest in the Common Areas and Facilities appurtenant to such Unit, as shown in Exhibit "C". Such assessments, together with any additional sums accruing under this Declaration, shall be payable quarterly in advance, or in such payments and installments as shall be provided by the Management Committee.

4. The Management Committee shall have discretionary powers to prescribe the manner of maintaining and operating the Condominium Project and to determine the cash requirements of the Project to be paid as aforesaid by the Owners under this Declaration. Every such reasonable determination by the Management Committee within the bounds of the Act and this Declaration shall be final and conclusive as to the Owners, and any expenditures made by the Management Committee, within the bounds of the Act and this Declaration shall as against the Owner be deemed necessary and properly made for such purpose.

5. If an Owner shall at any time let or sublet his Unit and shall default for a period of one (1) month in the payment of any assessments, the Management Committee may, at its option, so long as such default shall continue, demand and receive from any tenant or subtenant of the Owner occupying the Unit so much of the rent due or becoming due and payable as is necessary to cure said default and the payment of such rent to the Management Committee shall be sufficient payment and discharge of such tenant or subtenant and the Owner to the extent of the amount so paid.

6. Each assessment and each special assessment shall be separate, distinct and personal obligations of the Owners(s) of the Unit against which the same is assessed at the time the assessment is made and shall be collectible as such. Suit to recover a money judgment for unpaid Common Expenses may be maintained without foreclosure or waiving the lien (described hereafter) securing the same. If not paid when due, the amount of any assessment, whether regular or special, assessed to a Unit plus interest at nineteen percent (19%) per annum, costs of action and reasonable attorney's fees, shall become a lien upon such Unit upon recordation of a notice thereof as provided by the Act. The said lien for non-payment of common expenses shall have priority over all other liens and encumbrances, recorded or unrecorded, except only:

- (a) tax and special assessment liens on the Unit in favor of any assessing unit, or special district; and
- (b) encumbrances on the interest of the Unit Owner recorded prior to the date such notice is recorded which by law would be a lien prior to subsequently recorded encumbrances.

7. In any conveyance, except to a mortgagee as hereinafter set forth, the grantee of a Unit shall be jointly and severally liable with the grantor for all unpaid assessments against the latter for his share of the common expenses up to the time of the grant or conveyance, without prejudice to the grantee's rights to recover from the grantor the amounts paid by the grantee. However, any such grantee shall be entitled to a statement from the Manager or Management Committee setting forth the amounts of the unpaid assessments against the grantor, and such grantee shall not be liable for, nor shall the Unit conveyed be subject to a lien for, any unpaid assessments against the grantor in excess of the amount set forth.

8. A certificate executed and acknowledged by the Manager or management Committee stating the unpaid common expenses then outstanding with respect to a Unit shall be conclusive upon the Management Committee and the Owners as to the amount of such indebtedness on the date of the certificate, in favor of all persons who rely thereon in good faith, and such certificate shall be furnished to any Owner or encumbrance or prospective Owner or encumbrance's of a Unit upon request at a reasonable fee initially not to exceed Ten Dollars (\$10.00). Unless the request for a certificate of indebtedness shall be complied with within ten (10) days, all unpaid Common Expenses which become due prior to the date of making of such request shall be subordinate to the lien or interest held by or obtained by the person making the request. Any encumbrance holding a lien on a Unit may pay any unpaid Common Expenses payable with respect to such Unit and upon such payment that encumbrance shall have a lien on that Unit of the same rank as the lien of his encumbrance for the amounts paid.

9. Upon payment or other satisfaction of delinquent assessments concerning which a notice of assessment has been recorded, the Management Committee shall cause to be recorded in the same manner as the notice of assessment a further notice stating the satisfaction and release of the lien thereof. Such lien for non-payment of assessment may be enforced by sale by the Management Committee or by a bank or trust company or title insurance company authorized by the Management Committee, such sale to be conducted in accordance with the provisions of the law applicable to the exercise of powers of sale or foreclosure in deeds of trust or mortgages or in any other manner permitted by law. In any foreclosure or sale, the Unit Owner shall be required to pay the costs and expenses of such proceeding including reasonable attorney's fees.

10. In the event of foreclosure, the Unit Owner, if he is an owner-occupier and desires to remain in the Unit during any redemption period, shall be required to pay a reasonable rental for the Unit and the plaintiff in the foreclosure action shall be entitled to the appointment of a receiver to collect the rental without regard to the value of the security. The Management in

Committee or Manager shall have the power to bid on the Unit at foreclosure of other sale and to hold, lease, mortgage and convey the Unit.

ARTICLE XVIII

MAINTENANCE

1. Each Owner of a Unit at his own expense shall keep the interior of such Unit and its equipment and appurtenances in good order, condition and repair and in a clean and sanitary condition, and shall do all redecorating and painting which may at any time be necessary to maintain the good appearance of such Unit. Except to the extent that the Management Committee on behalf of all Unit Owners is protected by Insurance against such injury, the Unit Owner shall repair all injury or damages to the Unit, building or buildings caused by the act, negligence or carelessness of the unit Owner or that of any tenant or subtenant or any member of the Unit Owner's family or of the family of any tenant or subtenant or any agent, employee or guest the Owners or his tenant or subtenant and all such repairs, redecorating and painting shall be of a quality and kind equal to the original work. In addition to decorating and keeping the interior of the Unit in good repair, the Unit Owner shall be responsible for the maintenance or replacement of any heating equipment, hot water equipment or plumbing fixtures that may be used exclusively by the Unit. Each Unit Owner shall be entitled to the exclusive use and possession of the Limited Common Areas appurtenant to his Unit; provided, however, that without the written permission of the Management Committee first had and obtained, a Unit Owner shall not make a permit to be made any structural alteration in or to the Unit or in or to the exterior of the building, and shall not paint or decorate any portion of the exterior of the unit or of the building in which the Unit is located.

2. Except as hereinafter provided, the Management Committee shall provide for such maintenance and operation of the Common Areas and Facilities as may be reasonably necessary to keep them clean, functional, attractive and generally in good condition and repair. The Management Committee shall have no obligation regarding maintenance or care of Units.

ARTICLE XIX

RIGHT OF ENTRY

The Management Committee and its duly authorized agents shall have the right to enter any and all of the Units in case of emergency originating in or threatening such Unit or any or the part of the Project, whether or not the Unit Owner or occupant thereof is present at the time. The Committee and its duly authorized agents shall also have the right to enter into any and all of said Units at all reasonable times as required for the purpose of making necessary repairs

upon the Common Areas and Facilities of the Project or for the purpose of performing emergency installations, alterations or repairs to the mechanical or electrical devices or installations located therein or thereon; provided however, such emergency installations, alterations or repairs are necessary to prevent *damage or threatened damage to other Units in the Project, and provided further, that the Unit Owner affected by such entry shall first be notified thereof if available and if time permits.

ARTICLE XX

ADMINISTRATIVE RULES AND REGULATIONS

The Management Committee shall have the power to adopt and establish by resolution, such Project management and operational rules as it may deem necessary for the maintenance, operation, management and control of the Project. The Committee may, from time to time by resolution, alter, amend and repeal such rules. When a copy of any amendment or alteration or provision for repeal of any rule has been furnished to the Unit Owners, such amendment, alteration or provision shall be taken to be a part of such rules. Unit Owners shall at all times obey such rules and see that they are faithfully observed by those persons over whom they have or may exercise control and supervision, it being understood that such rules shall apply and be binding upon all Unit Owners, tenants, subtenants or other occupants of the Units.

ARTICLE XXI

OBLIGATION TO COMPLY HEREWITH

Each Unit Owner, tenant, subtenant or other occupant of a Unit shall comply with the provisions of the Act, this Declaration, the Bylaws, and the rules and regulations of the Management Committee, all agreements and determinations lawfully made and/or entered into by the Management Committee or the Unit Owners, when acting in accordance with their authority, and any failure to comply with any of the provisions thereof shall be grounds for an action by the Management Committee or other aggrieved party for injunctive relief or to recover any loss or damage resulting therefrom, including costs and reasonable attorney's fees.

ARTICLE XXII

AMENDMENT

In addition to the amendment provisions contained in Article VI hereof, this Declaration and/or the Map may be amended upon the affirmative vote or approval and consent of owners having ownership of not less than 66.00 percent of the undivided interest in the Common Areas and Facilities. Any amendment so authorized shall be accomplished by recordation of an instrument executed by the Management Committee. In said instrument the Committee shall certify that the vote or consent required by the Article XXII has occurred.

ARTICLE XXIII

SEVERABILITY

The invalidity of any one or more phrases, sentences subparagraphs, paragraphs, sections or articles hereto shall not affect the remaining portions of this instrument nor any part thereof, and in the event that any portion or portions of this instrument should be invalid or should operate to render this instrument invalid, this instrument shall be construed as if such invalid phrase or phrases, sentence or sentences, subparagraph or subparagraphs, paragraph or paragraphs, section or sections or article or articles had not been inserted.

ARTICLE XXIV

DECLARANT'S RIGHTS ASSIGNABLE

All of the rights of Declarant under this Declaration may be assigned or transferred either by operation of law or through voluntary conveyance, transfer or assignment. Any Mortgage covering all Condominium Units in the Project, title to which is vested in the Declarant, shall, at any given point in time and whether or not such Mortgage does so by its terms, automatically cover, encumber and include all of the then-unexercised or then unused right, powers, authority, privileges, protections and controls which are accorded to Declarant (in its capacity as Declarant herein).

ARTICLE XXV

WAIVERS

No provision contained in this Declaration shall be deemed to have been waived by reason of any failure to enforce it, irrespective of the number of violations which may occur.

ARTICLE XXVI

TOPICAL HEADINGS

The topical headings contained in this Declaration are for convenience only and do not define, limit or construe the contents of the Declaration.

ARTICLE XXVII

EFFECTIVE DATE

This Declaration shall take effect upon recording.

IN WITNESS WHEREOF, the undersigned has caused this Declaration to be executed on its behalf this 26 day of MAR, 19 99

By Jonathon B. Blossch
BLOSCH BUILDING & DEVELOPMENT, INC.
a Utah S Corporation

PRES.

ATTEST:

STATE OF UTAH

COUNTY OF Davis SALT LAKE SS

I hereby certify that on this day before me, an officer duly authorized to take acknowledgments in the state and county afore said, personally appeared Jonathon B. Blossch, known to me to be the person described in and who executed the foregoing instrument as managing Member of Blossch Building & Development, Inc., a Utah S Corporation named therein, and severally acknowledged before me that he executed the same as such officer in the name of and for and on behalf of said limited liability company.

26th IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal this day of March 99

By: Janice E. Tolman
Notary Public.

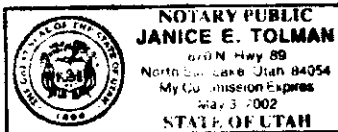


EXHIBIT "A"

Beginning at a point which is South $1^{\circ} 16'08''$ East 2154.16 feet along the section line and North $89^{\circ} 45'23''$ East 141.28 feet from the Northeast Corner of Section 2, Township 1 North, Range 1 West, Salt Lake Base and Meridian, Davis County, Utah said Point being the Southeast Corner of Lot 38 Cobble Creek East Subdivision and running thence South $0^{\circ} 38'20''$ East 132.00 feet along the West line of Paul Subdivision, thence South $89^{\circ} 45'23''$ West 292.89 feet to the east line of a street (Frontage Road); thence North $31^{\circ} 07'59''$ East 154.61 feet to the Southwest Corner of said Lot 38, thence North $89^{\circ} 45'23''$ East 211.48 feet to the point of beginning, containing 0.76 acres.

EXHIBIT "B"

BYLAWS OF SILVER PINE TOWNEHOMES

A CONDOMINIUM PROJECT

I

IDENTITY

These are the Bylaws of SILVER PINE TOWNEHOMES, a Condominium project, duly made and provided for in accordance with the Act. Any term used herein which is defined in the Declaration to which these Bylaws appended shall have the meaning ascribed therein.

II

APPLICATION

All present or future owners, tenants or any other persons who might use the facilities of SILVER PINE TOWNEHOMES in any manner are subject to the regulations set forth in these Bylaws. The mere acquisition or rental of any of the Units or parts thereof, or the mere act of occupancy or use of any of said Units or part thereof or the Common Areas and Facilities will signify that these Bylaws as accepted, ratified, and will be complied with by said persons.

III

ADMINISTRATION OF CONDOMINIUM PROJECT

1. **Place of Meetings.** Meeting of the Unit Owners shall be held at such place within the State of Utah as the Management Committee may specify in the notice, except as herein otherwise specified.

2. **Annual Meetings.** The first annual meeting of the Unit Owners shall be held at the Project on the first _____ in _____, 19__ or earlier at the sole option of Declarant. Thereafter, the annual meetings shall be held on such day of each succeeding year; provided, however, that whenever such date falls on a legal holiday, the meeting shall be held on the next succeeding business day, and further provided that the Management Committee may be

resolution fix the date of the annual meeting on such date or at such other place as the Management Committee may deem appropriate.

3. Special Meetings. Special meetings of the Association of Unit Owners may be called at any time by the Management Committee or by Unit Owners who collectively hold at least thirty percent (30%) of the total vote. Notice of said meetings shall be delivered not less than ten (10) days prior to the date fixed for said meeting. Such meeting shall be held on the Project or such other place as the Management Committee may specify and the notice thereof shall state the date, time and matters to be considered.

4. Notices. Any notice Permitted or required to be delivered as provided herein may be delivered either personally or by certified or registered mail. If delivery is by mail, it shall be deemed to have been delivered seventy two (72) hours after a copy of the same has been deposited in the United States Mail, Postage Prepaid, addressed to the Unit Owner concerned.

5. Quorum. At the meeting of the Unit Owners, the owners of more than fifty percent (50%) in the aggregate of interest in the undivided ownership of the Common Areas and Facilities shall constitute a quorum for any and all Purposes, except in situations in which express provisions require a greater vote in which event a quorum shall be the percentage of Interest required for such vote. In the absence of a quorum in person or by proxy, the meeting shall be adjourned for twenty four (24) hours, at which time it shall reconvene and any number of Unit Owners present at such subsequent meeting, in person or by proxy, shall constitute a quorum. At any such adjourned meeting held as set forth above, any business may be transacted which might have been transacted at the meeting as originally noticed.

6. Voting. When a quorum is present at any meeting, the vote of the Unit Owners representing more than fifty (50%) percent of the undivided interest present at the meeting either in person or represented by proxy, shall decide any question of business brought before such meeting, including the election of the Management Committee, unless the question is one upon which, by express provision of the Declaration or these Bylaws, a greater vote is required, in which case such express provision shall govern and control the decision of such question. All votes may be cast either in person or by proxy. All proxies shall be in writing, and must be of record with the secretary at least two (2) days prior tot he meeting at which they are used.

7. Waivers of Notice. Any Unit Owner may at any time waive notice required to be given under these Bylaws, or by statute or otherwise. The presence of a Unit Owner in person at any meeting of the Unit Owners shall be deemed such waiver

8. Time of Meeting. All meetings shall be held at ____ P.M. unless a notice of such meeting is duly delivered specifying a different time.

IV

MANAGEMENT COMMITTEE

1. **Powers.** The business, property and affairs of the Condominium Project shall be managed and governed by the Management Committee.
2. **Election.** The Management Committee shall be elected as provided in the Declaration.
3. **Vacancies.** Vacancies on the Management Committee shall be filled as provided in the Declaration.
4. **Regular Meetings.** A regular annual meeting of the Management Committee shall be held immediately after the adjournment of each annual meeting of the Unit Owners. Regular meetings, other than the annual meeting, shall or may be held at regular intervals at such places and at such times as either the president or the management Committee may from time to time designate.
5. **Special Meetings.** Special meetings of the Management Committee shall be held whenever called by the president, vice president, or by two or more members. by unanimous consent of the Management Committee, special meeting may be held with out call or notice at any time or place.
6. **Quorum.** A quorum for the transaction of business at any meeting of the Management Committee shall consist of a majority of the members of the Management Committee then in office.
7. **Compensation.** Members of the Management Committee as such, shall not receive any stated salary or compensation; provided that nothing herein contained shall be construed to preclude any member of the Management Committee from serving the Project in any other capacity and receiving compensation therefor.
8. **Waiver of Notice.** Before or at any meeting of the Management Committee any member thereof may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Management Committee at any meeting thereof shall be a waiver of notice by him of the time and place thereof.
9. **Adjournments.** The Management Committee may adjourn any meeting from day to day or for such other time as may be prudent or necessary, provided that no meeting may be adjourned for longer than thirty (30) days.

V

OFFICERS

1. **Designation and Election.** The principal officers of the Management Committee shall be a president, vice-president and secretary/treasurer, all of whom shall be elected by and from the management Committee. The Management Committee may appoint an assistant secretary and an assistant treasurer and such other officers as in their judgment may be necessary or desirable. Such election or appointment shall regularly take place at the first meeting of the Management Committee immediately following the annual meeting of the Unit Owners; provided, however, that election of officers may be held at any other meeting of the Management Committee.

2. **Other Officers.** The Management Committee may appoint such other officers, in addition to the officers herein above expressly named, as they shall deem necessary, who shall have authority to perform such duties as may be prescribed from time to time by the Management committee, but membership on the Committee shall not exceed four (4) members.

3. **Removal of Officers and Agents.** All officers and agents shall be subject to removal, with or without cause, at any time by the affirmative vote of the majority of the then members of the Management Committee.

4. **President.** The president shall be the chief executive of the Management committee, and shall exercise general supervision over its property and affairs. He shall sign on behalf of the Condominium Project as conveyances, mortgages and contracts of material importance to its business, and shall do and perform all acts and things which the Management Committee may require of him. He shall preside at all meetings of the Unit Owners and the Management committee. he shall have all of the general powers and duties which are normally vested in the office of president of corporation including, but not limited to, the power to appoint committees

from among the members (or otherwise from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Condominium Project.

5. **Vice-president.** The vice-president shall take the place of the president and perform his or her duties whenever the resident shall be absent or unable to act. If neither the president nor the vice-president is able to act, the Management Committee shall appoint some other member thereof to do so on an interim basis. The vice-president shall also perform such other duties that shall from time to time be prescribed by the Management Committee.

6. Secretary. The Secretary shall keep the minutes of all meetings of the Management Committee and of the Unit Owners; he shall have charge of the books and papers as the Management Committee may direct; and shall in general perform all the duties incident to the office of secretary.

7. Treasurer. The treasurer shall have the responsibility for the funds and securities of the Management Committee and shall be responsible for keeping full and accurate accounts of all receipts of all disbursements in books belonging to the Management Committee. He or she shall be responsible for the deposit of all Moines and all other valuable effects in the name, and to the credit of, the Management Committee in such depositories as may from time to time be designated by the Management Committee.

8. Compensation. No compensation shall be paid to the officers for their services as officers. No remuneration shall be paid to an officer for services performed by him for the Management Committee in any other capacity, unless a resolution authorizing such remuneration shall have been unanimously adopted by the Management Committee before the services are undertaken.

VI

ACCOUNTING

1. Books and Accounts. The books and accounts of the Management committee shall be kept under the direction of the treasurer and in accordance with reasonable standards and accounting procedures.

2. Inspection of Books. Financial reports, such as are required to be furnished, shall be available at the principal office of the Management Committee for inspection at reasonable times by any Unit Owner.

VII

PROJECTED RULES

The Management Committee shall have the power to adopt and establish, by resolution, such Project management and operational rules and regulations as it may deem necessary for the maintenance, operation, management and control of the Condominium Project, and the Management Committee may from time to time, by resolution, alter, amend and repeal such

rules and regulations Unit Owners shall at all times obey such rules and regulations and use their best efforts to see that they are faithfully observed by their lessees and the persons over whom they have or may exercise control or supervision, it being clearly understood that such rules and regulations shall apply and be binding upon all Unit Owners of the condominium Project. Provisions of the Act pertaining to the rules and regulations are incorporated herein by reference and shall be deemed a part hereof.

VIII

AMENDMENT OF THE BYLAWS

These Bylaws may be altered or amended in the same manner and subject to the same conditions as apply with respect to amendment of the Declaration.

IX

OPERATION AND MAINTENANCE OF CONDOMINIUM PROJECT

The Management Committee shall be responsible for the maintenance, control, operation and management of the Condominium Project in accordance with the provisions of the Act, the Declaration under which the Condominium Project was established and submitted to the provisions of the Act, these Bylaws and such rules and regulations as the Association of the Unit Owners may adopt from time to time as herein provided, and all agreements and determinations lawfully make and entered into by the Association of Unit Owners.


Secretary

Exhibit "C"

OWNERSHIP OF COMMON AREAS

<u>Unit No</u>	<u>Share of Ownership of Common Areas and Facilities</u>	<u>Share of Annual Assessment</u>
1.	0.166666	0.166666
1.	0.166666	0.166666
1.	0.166666	0.166666
1.	0.166666	0.166666
1.	0.166666	0.166666
1.	0.166666	0.166666