

**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS**

This Declaration of Covenants, Conditions and Restrictions, hereinafter called "Declaration" and by the Bylaws which are attached hereto and made a part hereof are made and executed in Weber County Utah this 10th day of March, 1998, by R. Thane Hales for himself, its' successors, grantees and assigns, pursuant to the provisions of the Utah Condominium Act, Utah Code Annotated, Section 57-8-1 et seq., (1953, as amended), hereinafter referred to as "Condominium Act.

WITNESSETH

WHEREAS, Declarant is the owner of certain land located in Ogden City, Weber County, State of Utah, hereinafter referred to as the "Land", and more particularly described in Exhibit A of this Declaration which is attached hereto and made a part hereof; and

WHEREAS, the aforesaid property consists of the land above described, together with certain other improvements heretofore or hereafter to be constructed upon said premises; and

WHEREAS, Declarant has constructed or will construct residential buildings and other improvements upon the aforesaid premises in accordance with the plans and drawings set forth in the Record of Survey Map of Willowood Condominiums filed concurrently herewith, certified by Reeve and Reeve Inc., duly registered Utah Land Surveyors, and

WHEREAS, 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 being constructed or to be constructed thereon to the provisions of the Utah Condominium Ownership Act as a condominium project known as Willowood Condominiums, and

WHEREAS, Declarant desires and intends to sell the fee title to the individual units contained in said condominium project, together with undivided ownership interest in the common areas and facilities appurtenant thereto, to various purchasers, subject to the covenants, conditions and restrictions herein reserved to be kept and observed, and

WHEREAS, Declarant desires and intends by filing this Declaration and the Record of Survey Map to submit the property to the provisions of the aforesaid Act as a condominium property and to impose upon said property mutually beneficial restrictions under a general plan of improvement for the benefit of said property and the owners thereof;

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 Utah Code Annotated, Section 57-8-10 (1953 as amended), shall be enforceable equitable servitudes, where reasonable, and shall run with the land;

1527163 BK1913 PG578
DOUG CROFTS, WEBER COUNTY RECORDER
10-MAR-98 350 PM FEE \$44.00 DEP MB
REC FOR: THANE.HALES



1. **Name of the Condominium Property** The name by which the condominium property shall be known as Willowood Condominiums.

2. **Definitions** The terms used herein shall have the meaning stated in the Utah Condominium Ownership Act and as follows, unless the context clearly indicates a different meaning therefore;

A. "Declarant" shall mean R. Thane Hales, authorized to do business in Utah, which has made and executed this Declaration;

B. The term "The Act" shall mean and refer to the Utah Condominium Ownership Act, Utah Code Annotated, Section 57-8-1, et. seq., (1953 as amended);

C. The term "Condominium" shall mean and refer to the ownership of a single unit in this condominium project, together with an undivided interest in common areas and facilities of the property.

D. The term "Declaration" shall mean this instrument by which Willowood Condominiums are established;

E. The term "property" shall mean and include, the land, the buildings, and all improvements and structures thereon, all easements, rights and appurtenances belonging thereto, and articles of personal property intended for use in connection therewith;

F. The term "condominium project" shall mean and refer to the entire real estate condominium project referred to in this Declaration;

G. The term "Map" or record of survey map shall mean and refer to the "Record of Survey Map of Willowood Condominiums, recorded herewith by Declarant in accordance with Utah Code Annotated Section 57-8-13 (1953, as amended);

H. The term "building" means a building, containing units and comprising a part of the property;

I. The term "unit" shall mean that part of the property owned in fee simple by unit owners for independent use and shall include the elements of the condominium property which are not owned in common with the owners of other units as shown on the Map;

J. The term "unit owners" shall mean the person or persons owning a unit in fee simple and an undivided interest in the fee simple estate of the common areas and facilities in the percentage specified and established in the Declaration;

K. The term "unit owners" shall mean and refer to unit owners of Willowood and include the original purchasers and other who may subsequently become unit owners;

L. The term "association of unit owners" shall mean and refer to all of the unit owners acting as a group in accordance with the Declaration and Bylaws;

M. The term "unit number" shall mean the number, letter and combination thereof designating the unit in the Declaration and in the Record of Survey Map;

N. The term "majority" or "majority of the unit owners" shall mean the owners of more than fifty percent (50%) in the aggregate in interest of the undivided ownership of the common areas and facilities;

O. The term "management committee" shall mean and refer to a committee composed of persons duly elected thereto by the association of unit owners, as provided by this Declaration, in accordance with 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 property;

P. The term "Manager" shall mean and refer to the person, persons or corporation selected by the management committee to manage the affairs of the condominium project;

Q. The term "common areas and facilities" shall mean and refer to:

- a) The land included within the condominium project;
- b) The outside surfaces of all structures;
- c) The yards, garden, parking areas and storage space;
- d) The premises for lodging janitors or persons in charge of the property as approved by Ogden City;
- e) The installation of central services such as power, light, gas, hot and cold water, heating, reffigeration, air-conditioning and incinerators;
- f) The elevators, tanks, pumps, motors, fans, compressors, ducts and in general all apparatus and installations in existence for common use;
- g) Such community facilities and Public Utilities as are provided within this Declaration; and
- h) All other parts of the property necessary or convenient to the existence, maintenance and safety of the common area, or normally in common use;
- i) All common areas and facilities as defined in the Act, whether or not expressly listed herein except that portion of the condominium project included in the respective units.

R. The term "limited common areas and facilities" shall mean and include refer to those common areas and facilities designated in the Declaration and the Map as reserved for use of a single unit or units to the exclusion of the other units.

S. The term "common expenses" shall mean and include:

- 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;
- d) Expenses declared common expenses by provision of this Act, or by the declaration of the Bylaws.

T. The term "person" shall mean an individual corporation, partnership, association, trustee or other legal entity.

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

3. Description of Property

A. **Description of Land** That tract or parcel of land in Ogden City, Weber County, State of Utah and more particularly described in Exhibit A of this Declaration.

B. **General Description of Buildings** The buildings constituting the condominium are four (4) in number and are to built as shown on the Maps. The buildings will consist of two (2) three(3)-plexes and two (2) four(4)-plexes. Each building is to be constructed with a brick/rock facing with vinyl siding exterior. Each unit is designed for use as a single-family residence and had the exclusive right to use of one two (2) car covered parking space. All other details involving the respective descriptions and locations of the buildings and statement of the number of stories, number of units and other like details are set forth in the Map which is simultaneously filed of record and incorporated herein by reference.

C. **Project Development** The project will be developed one (1) 3-plex and one (1) 4-plex initially with the entire project to be completed within one (1) year from the date of the initial construction.

D. **Description of Units** These units are single family dwellings as defined in Ogden City Zoning Ordinance and shall consist of:

a) 558.6 square feet on each of two (2) floors above ground as built. Each unit will have a below ground basement per the record of survey map.

b) The space enclosed within the exterior finished surface of its perimeter walls, floors and roof (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.

c) All elements of building except for the exterior surfaces.

d) Nonsupporting interior walls;

e) Windows and doors in the perimeter walls, whether located within the bounds of a unit or not, but not including any space occupied thereby to the extent located outside the bounds of the units; and

f) All utility pipes or lines or systems, and fixtures or appliances connected thereto, serving a single unit (or connecting a single unit to a main or central utility to the point of disconnection from such main or central utility) whether located within the bounds of a unit or not, but not including any space occupied thereby to the extent located outside the bounds of the units; and

g) Each unit will be equipped with the following appliances:

Range and Refrigerator

h) Units forming a part of the condominium property are more particularly described in the Map, which shows graphically all the particulars of the buildings.

i) Each unit has immediate access to the common areas and facilities or limited common areas and facilities contiguous to the buildings in which such unit is located.

j) Every contract for the sale of a unit and every other instrument effecting title to a unit may describe that unit by its identifying number or symbol as designated in the Map with the appropriate reference to the Map and to the Declaration, as each shall appear on the records of the County Recorder of Weber County, Utah. Such description will be construed to describe the unit, together with the appurtenant undivided interest in the common areas and to incorporate all the rights incident to ownership of a unit and all the limitations of such ownership as described in the Declaration.

E. Description of Common Areas and Facilities The common areas and facilities shall consist of all parts of the condominium 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) The outside surfaces of all structures;
- b) Yards, courts and driveways;
- c) The roadways contained therein, provided, however, that such roadways shall cease to be part of the common areas and facilities when and if dedicated to public the general use with the consent of the association of unit owners and accepted by the public authority having jurisdiction.
- d) 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 pipe or line or system or to pipe or line or system servicing more than a single unit;
- e) Any playground or recreational items that may be placed on the property;
- f) 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;
- g) The limited common areas and facilities hereinafter described; and
- h) All repairs and replacements of any of the foregoing.

F. Description of Limited Common Areas and Facilities Each unit owner is hereby granted an irrevocable license to use and occupy two (2) covered parking spaces reserved exclusively for the use of his unit which are set for on the Record of Survey Map of Willowood Condominiums.

4. Submission to Condominium Ownership Declarant hereby submits the above described property, tract of land, buildings, and other improvements constructed thereon or hereafter to be constructed, together with all appurtenances thereto, to the provisions of the Act as a condominium project and this Declaration is submitted in accordance with the terms and the provisions of the Act and shall be construed in accordance therewith.

5. Reservation of Rights The Declarant reserves the following rights in connection with the project, subject to an obligation to restore all rights in connections therewith to the unit owners and unit owners association after completion of the project and within the time frame mentioned otherwise in this Declaration:

A. To change the overall plan of the condominium project including alteration and construction of the number of the units and improvements of the property. These changes must be made within two (2) years from the date of the first construction on the project and under the following conditions:

a) Modification as mandated by a unit of government.

b) The supply of any building materials and/or labor is interrupted for any cause, natural or manmade, specifically through strike, natural disaster or some other occurrence.

B. An easement over and upon the common elements and upon lands appurtenant to the buildings for the purpose of completing improvements which provision is made in this Declaration, provided that only if access thereto is otherwise reasonably available.

C. An easement over and upon the common elements for the purpose of making repairs pursuant to this Declaration or contracts of sale made with unit purchasers.

D. The right to maintain facilities in the common areas which include sales and management offices, model units, parking areas and advertising signs, all of which are reasonably necessary to market the units.

6. **Covenants to Run With the Land** This Declaration containing covenants, conditions, and restrictions relating to the project shall be enforceable equitable servitudes and shall run with the land and this Declaration and servitudes shall be binding upon Declarant, its successors and assigns, and upon all owners or subsequent owners of all or any part of the condominium project, and upon their grantees, mortgagees, successors, heirs, executors, administrators, devisees and assigns.

7. **Statement of Purposes, Use and Restrictions:**

A. **Purposes** The purpose of the condominium property are to provide housing and recreational facilities for the unit owners and their respective families, tenants, guests and servants in accordance with the provisions of the Utah Condominium Ownership Act.

B. **Restrictions on Use.** The units and common areas and facilities shall be used and occupied as follows:

a) The use of the units referred to herein is restricted to single family dwellings as defined in the zoning ordinance of Ogden City.

b) No part of the condominium property shall be used for other than housing and the related common purposes for which the condominium property was designed.

c) There shall be no obstruction of the common areas and facilities nor shall anything be stored in the common areas and facilities without the prior written consent of the association of unit owners except as is otherwise provided herein.

d) Nothing shall be done or kept in any unit or in the common areas and facilities which will increase the rates of insurance on the buildings or contents thereof beyond that customarily applicable for residential use without the prior written consent of the association of unit owners. No unit owner shall permit anything to be done or kept in his unit or in the

common areas and facilities which will result in the cancellation of insurance on any building, or the contents thereof, or which would be in violation of any law or regulation of any governmental authority. No waste shall be permitted in the common areas and facilities.

e) No unit owner shall cause or permit anything (including, without limitation, a sign, awning, canopy, shutter, storm door, screen door, radio or television antenna) to hang, be displayed or otherwise affixed to or placed on the exterior walls or roof or any part, thereof, or the outside of windows or doors, without the prior written consent of the association of unit owners.

f) No animals or birds of any kind shall be raised, bred or kept in any unit or in the common areas and facilities, except that dogs, cats and other household pets may be kept in units, each unit owner is allowed one (1) household pet and it will not exceed eight (8) pounds in weight and will not be kenneled or tied outside of units and otherwise subject to the rules adopted by the association of unit owners, provided that they are not kept, bred, or maintained for any commercial purpose; and provided further, that any such pet causing or creating a nuisance or disturbance shall be permanently removed from the condominium property upon ten (10) days' written notice from the association of unit owners.

g) 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.

h) Nothing shall be done in any unit or ins, on or to the common areas and facilities which will impair the structural integrity of the building or any part of which would structurally change the buildings or any part thereof except as is otherwise provided herein.

i) No clothes, sheets, blankets, laundry of any kind or other articles shall be hung out 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 and other unsightly materials.

jj) Except in areas specifically designed and intended for such purposes, there shall be no playing, lounging or parking or placing of baby carriages, playpens, bicycles, wagons, toys, vehicles, benches or chairs in or on any part of the common areas and facilities.

k) No industry, business, trade, occupation, or profession of any kind, whether for commercial, religious, education, charitable or other purposes shall be conducted, maintained, or permitted by the association of unit owners and subject to the rules, nor shall any "For Sale" or "For Rent" signs or other window displays or advertising be maintained or permitted by any unit owner on any part of the condominium property or in any unit therein, except that:

(i) The Declarant may perform or cause to be performed such work as is incident to the completion of the development of the condominium property, or to sale or lease of units owned by the Declarant;

(ii) The Declarant or its agent, may place "For Sale" or "For Rent" signs on any unsold or unoccupied units and may place such other signs on the condominium property as may be required to facilitate the sale or lease of unsold units;

(iii) The association of unit owners or management committee or its agent or representative may place "For Sale" or "For Rent" signs on any unit or on the condominium property for the purpose of facilitating the disposal of units by any unit owners; and

(iv) A unit owner with respect to a unit, and the association of unit owners or management committee or its 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 by this Declaration.

8. Ownership and Use

A. Ownership and Use Except with respect to any of the common areas and facilities located within the bounds of a unit, each owner shall be entitled to the exclusive ownership and possession of his unit and to limited ownership of two (2) covered parking spaces, per unit, as set forth on the Record of Survey Map, and to an undivided 1/14th interest in the common areas and facilities.

B. Prohibition Against Subdivision of Unit No unit owner shall, by deed, plat or otherwise, subdivide or in any manner cause his unit to be separated into tracts or parcels smaller than the whole unit as shown on the Map.

C. Ownership of Common Areas and Facilities 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 in the common areas and facilities; provided, however that if any unit shall be owned by two or more co-owners as tenants in common or as joint tenants, nothing herein contained shall be deemed to prohibit a voluntary or judicial partition of such unit ownership as between such co-owners.

D. Use of Common Areas and Facilities. 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, but subject to this Declaration, the Bylaws, which right of use shall be appurtenant to and run with his unit.

E. Interest in Common Areas and Facilities The percentage of interest in the common areas and facilities of each unit has been determined by the Declarant on the basis of total number of units in the project as being 14 and therefore each unit would have a 1/14th interest in the common area.

F. **Use of Limited Common Areas and Facilities** 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 this Declaration and the Bylaws. The Association of Unit Owners shall maintain all limited common areas and facilities.

9. **Agent for Service of Process.** Until such time as a Declarant transfers the right and responsibility to elect a management committee to the owners as provided by the Bylaws, the name and address of the person in Weber County, State of Utah appointed as the agent to receive service of process in matters pertaining to the property as provided under the Utah Condominium Ownership Act is:

R. Thane Hales
1045 W 3800 N
Pleasant View, Utah 84414

10. **Percentage of Ownership and Voting Rights** The percentage of ownership in the common areas and facilities of the condominium shall be for all purposes, including voting. The common expenses shall be allocated among the unit owners in accordance therewith. Each unit owner will own 1/14th of the whole. It being the intent that the aggregate percentage of ownership in the common areas and facilities shall equal one-hundred percent (100 %).

The Declarant shall have all rights of ownership and voting rights in those units which are constructed and unoccupied, until such time that Declarant is able to persuade a sale for each particular unit, when all rights in connection with that shall pass to the then unit owners, subject to any other provisions in this Declaration at the option of the Declarant regarding management.

11. **Easements**

A. The association of unit owners may hereafter grant easement for utility purposes for the benefit of the condominium property, including the right to install, lay, maintain, repair and replace water mains and pipes, sewer lines, gas mains, cable television wires and equipment, telephone wires and equipment, and electrical conduits and wires over, under, along, on and through and portion of the common areas and facilities; and each unit owner by his acceptance of a deed to his unit agrees, from time to time, to execute, acknowledge, deliver, and record for and in the name of such unit owner, such instruments (with dower rights released) as may be necessary to effectuate the foregoing.

B. In the event that by reason of the construction, reconstruction, settlement or shifting of any 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 unit and the common areas and facilities or any other unit, valid easements for 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 owners.

12. **Management** The business property and affairs of Willowood Condominiums shall be managed by a management committee consisting of not less than three (3) nor more than seven (7) members who are unit owners in the project to be elected as provided in the Bylaws. Such management committee shall have all the powers, duties and responsibilities as are now or may hereafter be provided by the Act, this Declaration, the Bylaws and/or any amendments subsequently filed thereto; provided, however, that the management committee may engage the services of a professional manager and fix and pay a reasonable fee or compensation therefore. Notwithstanding anything herein contained to the contrary Declarant and David Thane Hales and Ryan E. Hales will act as the management committee until the completion and sale of all units in the project, or until two (2) years from the date of recording this Declaration whichever shall first occur.

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 and such administrative, management and operation 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 the committee.

The management committee shall have the authority to provide such facilities, in addition to those for which provision has already been made as it may deem to be in the best interest of the unit owners and to effect the necessary amendment of documents and maps in connection therewith.

The management committee shall be known by such name or designation as it, or the unit owners, at any meeting may assign.

13. **Change in Ownership** Whenever there is a change of ownership of a residential unit and its appurtenant rights, for whatever reason, the management committee or the manager may require, as condition to recognizing the new unit owners as such, that the new unit owner or owners meet the followings:

- A. Furnish evidence substantiating the new ownership;
- B. Sign an agreement accepting and agreeing to be bound by this Declaration, the Bylaws, and the rules and regulations and all amendments thereto.

14. **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. Water service will be discontinued and a lien for nonpayment of common expenses as provided by Utah Code Annotated, Section 57-8-20 (1953, as amended).

In assessing unit owners or requiring them to pay for the building improvements and other improvements of the common areas and facilities following the execution of the Declaration, it is agreed that no assessment for a single improvement in the nature of capital expenditure exceeding the sum of FIVE HUNDRED AND NO/100 DOLLARS (\$500.00) in cost shall be made without the same having been first voted on and approved by owners of fifty-one (51%) or more, of the undivided interests to the common areas and facilities. The foregoing sentence shall not apply in connection with the replacement or reconstruction occasioned by fire or other casualty.

15. **Destruction or Damage** In the event the condominium project is destroyed or damaged to the extent of seventy-five percent (75%) or less of the value thereof, the management committee shall be responsible for repairing, rebuilding and/or restoring the same to the condition it was in immediately prior to such destruction or damage, and the management committee shall, in this connection be entitled to use the proceeds of any and all insurance policies which it may have had in force on said premises as of the date of such destruction or damage. In the event the condominium project is destroyed or damaged to the extent of more than seventy-five percent (75%) of the value thereof, the association of unit owners shall, at a meeting duly called by the management committee for that purpose, determine whether or not said premises should be rebuilt, repaired, or disposed of: Unless owners representing not less than eighty percent (80%) of the undivided interest in the common areas and facilities agree to the withdrawal of the condominium project from the provisions of the Act and to its subsequent disposal, the premises shall be repaired, rebuilt and restored to the same condition they were in immediately prior to said destruction or damage. In the event the cost of such repairing, rebuilding or restoring the condominium project shall exceed the amount realized by the management committee from the proceed of any insurance policy or policies as herein provided, the unit owners shall contribute to such cost in relation to their percentage or undivided ownership in the common areas and facilities.

16. **Taxes** It is understood that under Utah Code Annotated, Section 57-8-27 (1953, as amended) each unit, and its percentage of undivided interest in the common areas and facilities in the project are subject to separate assessments and taxation by each assessing unit and the special district for all types of taxes authorized by law, and that as a result thereof, no taxes will be assessed or payable against the project as such. Each unit owner will, accordingly pay and discharge any and all taxes which may be assessed against him and his percentage of undivided interest in the common areas and facilities.

17. **Insurance** The management committee shall secure and maintain the following insurance coverage on the condominium project.

A. **Flood, Fire and Extended Coverage** A policy or policies of flood and fire insurance, with extended coverage endorsement, for the full insurable replacement value of the buildings, units and common areas and facilities, which said policy or policies shall provide for a separate loss payable in favor of the mortgagees of each unit, if any.

B. **Liability Coverage** A policy or policies insuring the management committee,

the manager and their agents and employees, the unit owners and their lessees, tenants, or occupants against any liability to the public or to the unit owners, incident to the ownership and/or use of the condominium project, and including the personal liability exposure of the unit owners. Limits of liability under such insurance shall not be less than \$100,000/\$300,000 for bodily injury; and shall not be less than \$10,000 for personal damage for each occurrence. Such limits and coverage shall be reviewed at least annually by the management committee and changed at its discretion. Said policy or policies shall be issued on a comprehensive liability basis and shall provide cross-liability endorsement wherein the rights of the named insured under the policy or policies shall not be prejudiced as in respect to his, her or their action against another named insured.

C. **Workmen's Compensation** Workmen's compensation to the extent necessary to comply with applicable law.

D. Insurance for such other risks of a similar or dissimilar nature, as are or shall hereafter customarily be covered with respect to other condominium projects similar in construction, design and use.

E. Exclusive authority to adjust losses under policies hereafter in force in the project shall be vested in the management committee or its authorized representative.

F. Each unit owner may obtain additional insurance at his own expense, provided, however, that no unit owner shall be entitled to exercise his right to maintain insurance coverage in such a way as to decrease the amount which the management committee, in behalf of all the unit owners, may realize under any insurance policy which the management committee may have in force on the project at any particular time.

18. **Payment of Expenses** Each unit owner shall pay the management committee his allocated portion of the cash requirement deemed necessary by the management committee to manage and operate the condominium project, including the recreation facilities thereof, upon the terms, at the times, and in the manner herein provided without any deduction on account of any set off or claim which the owner may have against the management committee, and if the unit owner shall fail to pay any installment within one month of the time when the same becomes due, the owner shall pay interest thereon at the rate of twelve percent (12%) per annum from the date when such installment shall become due to the date of the payment thereof.

The cash requirements above referred to for each year, or portions of the year, are hereby defined and shall be deemed to be 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 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, buildings and improvements, recreational areas and facilities, which sum may include, among other things, the cost of management, special assessments, fire, casualty and public liability insurance premiums common lighting, landscaping and the care of grounds, repairs and renovations to common areas and facilities, recreational

facilities, snow removal, wages, water and charges, 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. It is specifically mandated that there shall be an adequate reserve fund for the periodic maintenances, repair and replacement of the common elements, which fund shall be maintained out regular assessments for common expenses. Further, a working capital fund must be established for the initial months of the project's operation equal to at least two (2) months estimated common area charges for each unit. The management committee may, from time to time, up to close of the year for which such case requirements have been so filed 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 expenses 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 there after to accrue although not payable in that year.

That portion payable by the unit owner in and for each year or for a portion of a year shall be a sum within the limits and on the conditions hereinabove provided bearing to the aggregate amount of such case requirements for such year, or portion of year, determined as aforesaid, the same ration as the unit owner owns on undivided interest in the common areas and facilities, and such assessments, together with any additional sums accruing under this Declaration shall be payable monthly in advance, or in such payments and installments as shall be required by the management committee.

The management committee shall have discretionary powers to prescribe the manner of maintaining operating the Condominium project and to determine the cash requirements of the management committee 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.

If the owner shall at any time let or sublet the 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 sub-tenant of the owner occupying the unit the rent due or becoming due and payment of such rent to the management committee shall be sufficient payment and discharge of such tenant or sub-tenant and the owner to the extent of the amount so paid.

Each monthly assessment and each special assessment shall be separate, distinct and personal debts and obligations of the owner against whom the same are assessed at the time the assessment is made and shall be collectable as such. Discontinuance of water service by the management committee and a suit to recover a money judgment for unpaid common expenses

shall be maintainable without foreclosing or waiving the lien securing the same. The amount of any assessment, whether regular or special, assessed to the owner plus interest at twelve percent (12%) per annum, and cost, including reasonable attorney's fees, shall become a lien upon such unit upon recording of a notice of assessment 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 assessment unit, and special district, and

B. Encumbrances on the owner's interest in the unit (and common areas and facilities) recorded prior to the date such notice is recorded which by law would be a lien prior to subsequently recorded encumbrances.

A certificate executed and acknowledged by a majority of the management committee stating the indebtedness secured by the lien upon any condominium created hereunder, 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 encumbrance of a condominium upon request at a reasonable fee not to exceed TEN AND NO/100 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 held by the person making the request. Any encumbrance shall have a lien on such condominium and upon such payment such encumbrance shall have a lien on such condominium for the amounts paid of the same rank as the lien of his encumbrance.

A. The liens created hereunder upon any condominium unit shall be subject and subordinate to, and shall not affect the rights of the holder of the indebtedness secured by any recorded first mortgage (meaning a mortgage or a trust deed with first priority over other mortgages) Upon such interest made in good faith, and for value, provided that after the foreclosure of any such mortgage there may be a lien created pursuant to paragraph 18 hereof on the interest of the purchaser at such foreclosure sale, which said lien, if any claimed, shall have the same effect and be enforced in the same manner as provided herein;

B. No amendment to this paragraph shall affect the rights of the holder of any such mortgage recorded prior to recording of such amendment who does not join in the execution thereof;

C. By subordination agreement executed by a majority of the management committee, the benefits of A and B above may be extended to mortgages not otherwise entitled thereto.

20. **Maintenance of Units.** Each unit owner at his own expense shall keep the interior of his unit and its equipment and appurtenances in good order, condition and repair and in a clear

and sanitary condition, and shall do all redecorating and painting which may at any time be necessary to maintain the good appearances of his unit. Except to the extent that the management committee is protected by insurance against such injury, the unit owner shall repair all injury or damages to the unit, or condominium project caused by the act, negligence or carelessness of the unit owner or that of any lessee or sub-lessee or any member of the unit owner's family or of the family of any lessee or sub-lessee 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 plumbing, fixtures, refrigerators, air conditioning and heating equipment, dishwashers, disposals, ranges, etc., that may be in or connected with the unit. The unit owner shall be entitled to the exclusive use and possession of the patio's carport, garage, attached or assigned to his unit and shall be responsible for the maintenance and upkeep of same, provided however, that without the written permission of the management committee first had and obtained, the unit owner shall not make or permit to be made any structural alteration, improvement or addition in or to the unit, balcony, carport, and garage, or in or to the exterior of the building in which his unit is located.

21. **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 an emergency originating in or threatening such unit or any other 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 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.

22. **Administrative Rules and Regulations.** 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 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 or rules has been furnished to the unit owners, such amendment, alteration and 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 and /or occupants of the condominium.

23. **Obligation to Comply Herewith.** Each unit owner, tenant, or occupant of a unit shall comply with the provisions of the Act, this Declaration, the Bylaws, and the rules and regulations, 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 to recover any loss of damage resulting therefrom on injunctive relief.

24. **Indemnification of Management Committee.** Each member of the management committee shall be indemnified and held harmless by the unit owners against all costs expenses and liabilities whatsoever, including without limitation, attorney's fees, reasonably incurred by him in connection with any proceedings to which he may become involved by reason of his being or having been a member of said committee.

25. **Expansion.**

No expansion is contemplated under this declaration.

26. **Amendments.** The unit owners have the right to amend this Declaration and the Map, upon the approval and consent of Unit Owners representing not less than two-thirds (2/3) of the undivided interest in the common areas and facilities, which approval and consent shall be duly recorded instruments.

27. **Bylaws.** The bylaws of the Willowood Condominium Owners Association are attached hereto as Exhibit B.

28. **Severability.** The invalidity of any one or more phrases, sentences, clauses, paragraphs or sections hereof shall not affect the remaining portions of this instrument or any part thereof, all of which are inserted conditionally on their being held valid in law and in the event that one or more of the phrases, sentences, clauses, paragraphs or sections contained therein should be invalid or should operate to render this agreement invalid, this instrument shall be construed as if such invalid phrase or phrases, sentence or sentences, clause or clauses, paragraph or paragraphs, section or sections has not been inserted.

29. **Gender.** The singular, wherever used herein, shall be construed to mean the plural and when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

30. **Topical headings.** The topical headings of the paragraphs contained in these Declaration are for convenience only and do not define, limit or construe the contents of the paragraphs or of the Declaration.

31. **Effective Date.** This Declaration shall take effect upon recording.

E# 1527163 BK1913 PG394

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 10th day of March, 1998.

DECLARANT:
R. Thane Hales
R. THANE HALES

ATTEST:

Subscribed and sworn to me this 10th day of March, 1998.

NOTARY PUBLIC

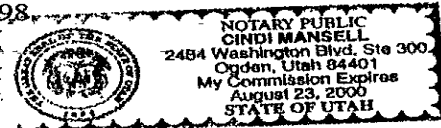


EXHIBIT "A"

A part of the west half of Section 6, Township 6 north, Range 1 west, Salt Lake Base and Meridian, U.S. Survey, described as follows:

Beginning at a point South 00° 45' 01" West 2541.93 feet and West 699.71 feet from the North quarter corner of said section 6. Said point being on the South line of Harrisville Road and running thence South 65° 39' 00" East 287.97 feet along said South line of Harrisville Road; thence South 02° 39' 31" West 162.78 feet; thence North 65° 39' 00" West 348.13 feet; thence North 24° 21' 00" East 151.25 feet to the point of beginning. Contains 1.10 acres.

11-255-0001 to 0014