

6 - 03-181 - 0201 thru 0210 includes CA
 5 - 03-167 - 0159 thru 0161 includes CA
 4 - 03-166 - 0146 thru 0167 includes CA, 0147
 3 - 03-165 - 0141 thru 0169 includes CA
 2 - 03-161 - 0131 thru 0140 AMENDED AND RESTATED
 10 - 03-200 - 0222 thru 0233 CONDOMINIUM DECLARATION
 1 - 03-157 - 0101 thru 0131 includes CA

RETURNED
 FEB 19 2003

THIS AMENDED AND RESTATED CONDOMINIUM DECLARATION FOR COUNTRY SPRINGS (this "Declaration") is made as of 18 FEB, 2003 by COUNTRY SPRINGS HOMEOWNERS ASSOCIATION, INC., a Utah nonprofit corporation ("Declarant"), successor to the original Declarant under the original Condominium Declaration For Country Springs dated May 2, 1996 and recorded as Entry No. 1256467 in Book 2013, beginning at Page 1075, Davis County, Utah Official Records, as amended (the "Original Declaration"). This Declaration completely amends and supersedes the Original Declaration except to the limited extent specified in Section 2.1(s) below.

7 - 03-189 - 0207 thru ~~0210~~ ⁰²¹¹ ~~0221~~ ⁰²²¹ → 0234
 8 - 03-194 - 0215 thru 0220 includes RECITALS - 0234 - 0237
 9 - 03-197A. Declarant is the incorporated association of the owners of the Property (as defined below). - 0223 thru 0228 includes CA

B. The Owners desire and have voted to completely amend and restate the Original Declaration which established the Project (as defined below) on the Property, which consists and shall consist of single family and multifamily residential dwellings, all pursuant to the Act (as defined below).

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 RICHARD T. MAUGHAN, DAVIS CNTY RECORDER
 2003 FEB 19 9:30 AM FEE 192.00 DEP MEC
 REC'D FOR COUNTRY SPRINGS HOMEOWNERS ASS

DECLARATION

NOW, THEREFORE, in consideration of the foregoing, Declarant hereby declares as follows:

ARTICLE I
 DECLARATION

Declarant hereby submits the Property to the provisions of the Act, and declares that the Property shall be held, sold and conveyed subject to the following covenants, conditions, restrictions, reservations, easements, assessments, charges and liens, which shall run with the Property and bind all parties having any right, title or interest in the Property, or any portion thereof, and their respective successors, assigns, heirs, devisees and personal representatives.

ARTICLE II
 DEFINITIONS

2.1 **Basic Definitions.** For purposes of this Declaration, the following terms shall have the meanings indicated:

- (a) "Act" means the Utah Condominium Ownership Act, Utah Code Annotated sections 57-8-1 through 57-8-36, as it may be amended from time to time.
- (b) "Articles" means the Articles of Incorporation of the Association, as the

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same mail be amended from time to time.

(c) **"Assessment"** means an Initial Assessment, a General Assessment, a Special Assessment or a Default Assessment levied pursuant to **Article VII** below.

(d) **"Assessment Lien"** means the statutory lien of the Association on a Unit described in **Section 7.9**.

(e) **"Association"** means Country Springs Homeowners Association, Inc. a Utah nonprofit corporation, and its successors and assigns.

(f) **"Association Documents"** means this Declaration, the Articles, the Bylaws and the Rules and Regulations, as they may be amended from time to time.

(g) **"Bylaws"** means the Bylaws of the Association, as they may be amended from time to time. The Bylaws of the Association shall be as set forth in **Exhibit B** attached hereto.

(h) **"Common Areas"** means all of the Property, together with all improvements located thereon, except the Units.

(i) **"Common Expenses"** means (i) any and all costs, expenses and liabilities incurred by or on behalf of the Association, including, without limitation, costs, expenses and liabilities for (A) managing, operating, maintaining, repairing, altering and improving the Common Areas; (B) administering and enforcing the covenants, conditions, restrictions, reservations and easements created hereby; (C) levying, collecting and enforcing the Assessments, charges and liens imposed pursuant hereto; (D) regulating and managing the Project; and (E) operating the Association; and (ii) reserves for any such costs, expenses, liabilities and replacement of improvements to Common Areas and Limited Common Areas.

(j) **"Default Assessments"** has the meaning given to such term in **Section 7.7** below.

(k) **"Director"** means a duly elected or appointed member of the Executive Board.

(l) **"Eligible Holder"** means a Person who holds, insures or guarantees a First Mortgage and has delivered a written notice to the Association, containing such Person's name and address and the legal description and address of the Unit encumbered by the First Mortgage held, insured or guaranteed by such Person.

(m) **"Executive Board"** means the Board of Directors of the Association.

(n) **"First Mortgage"** means any Mortgage which is not subordinate to any other lien or encumbrance, except liens for taxes or other liens which are given priority by statute.

(o) **"First Mortgagee"** means any Person named as a mortgagee or

beneficiary in any First Mortgage, or any successor to the interest of any such person under such First Mortgage.

(p) **"General Assessment"** means an Assessment levied against a Unit pursuant to **Section 7.5** below.

(q) **"Initial Assessments"** means Assessments levied against a Unit pursuant to **Section 7.4** below.

(r) **"Limited Common Areas"** means Common Areas which are reserved for use exclusively in connection with a designated Unit or Units, as depicted on the Map.

(s) **"Map"** means the Record of Survey Map of Country Springs, as amended, which is currently of record, as the same may be further amended from time to time. The currently recorded version of the Map, which is attached to the Original Declaration, shall remain the Record of Survey Map of the Project unless and until amended in accordance with the provisions hereof.

(t) **"Membership"** means a membership in the Association and the rights granted to Owners pursuant to this Declaration, the Articles and the Bylaws to participate in the Association.

(u) **"Modification Review Board"** means the committee established by the Executive Board to regulate the modification of improvements to the Units.

(v) **"Mortgage"** means any mortgage, deed of trust or other document pledging any Unit or interest therein as security for payment of a debt or obligation.

(w) **"Mortgagee"** means any Person named as a mortgagee or beneficiary in any Mortgage, or any successor to the interest of any such person under such Mortgage.

(x) **"Owner"** means the record holder of legal title to the fee simple interest in any Unit or portion thereof. If there is more than one record holder of legal title to a Unit, each record holder shall be an Owner.

(y) **"Person"** means any natural person, corporation, partnership, limited liability company, association, trustee or any other entity recognized as being capable of owning real property under the laws of the State of Utah.

(z) **"Project"** means the condominium project created on the Property by this Declaration and the Map, consisting of the Units and the Common Areas.

(aa) **"Property"** means the real property located in the County of Davis, State of Utah, that is described on **Exhibit A** attached hereto and made a part hereof.

(bb) **"Purchaser"** means a Person, other than Declarant or a Successor Declarant, who by means of a transfer, acquires legal title to the fee simple interest in any Unit or portion thereof.

(cc) "**Rules and Regulations**" means any instruments adopted by the Association for the regulation and management of the Project, as the same may be amended from time to time.

(dd) "**Shares of Common Expenses**" means the share of Common Expenses allocated to each Unit in accordance with the terms and conditions of **Section 7.2** below.

(ee) "**Special Assessments**" has the meaning given to such term in **Section 7.6** below.

(ff) "**Successor Declarant**" means any Person who succeeds to any rights of Declarant hereunder.

(gg) "**Transfer Assessments**" means Assessments levied against a Unit pursuant to **Section 7.4** below.

(hh) "**Unit**" means an individual residential dwelling within the Project designated as a Unit on the Map, inside of and to the Demising Elements (but not the Demising Elements themselves) as they relate to such Unit. The "**Demising Elements**" consist of the undecorated interior surfaces of perimeter walls, floors, ceilings, windows, exterior doors, and the frames of windows and such doors. Wallpaper, paint, floor coverings, etc. within Units shall constitute a part of such Units, and each Owner shall have the right to apply and affix the same to the interior surfaces of the Demising Elements relating to its Unit as it may desire. A Unit shall not include any loadbearing walls, foundations, columns, girders, beams, supports, or any pipes, wires, conduits, ducts, utility lines, etc. within or running through it which are used for or which serve more than one Unit, or any other Unit, all of which elements shall be part of the common Area.

2.2 **Gender and Number.** Wherever the context of this Declaration so requires, (a) words used in the masculine gender shall include the feminine and neuter genders; (b) words used in the neuter gender shall include the masculine and feminine genders; (c) words used in the singular shall include the plural; and (d) words used in the plural shall include the singular.

ARTICLE III UNITS AND COMMON AREAS

3.1 **Units.** The Project consists of 104 Units, the boundaries and identifying numbers of which are shown on the Map. All Units shall be capable of being independently owned, encumbered and convey. The Owner or Owners of each Unit shall be entitled to the exclusive possession and control of such Unit, subject to the rights of the Association set forth in the Association Documents. The Units are wood framed with stucco exterior, the roofing material is fiberglass asphalt shingle.

3.2 **Separate Taxation of Units.** Pursuant to Section 57-8-27 of the Act, each Unit constitutes a separate parcel of real estate and will be separately assessed and taxed.

3.3 **Description of Common Areas.** The Common Areas shall consist of all portions of the Project other than Units. The interior surfaces of the Demising Elements relating to each

Unit shall be Limited Common Areas related thereto.

3.4 **Ownership of Common Areas.** The Common Areas shall be owned by the Owners of all of the Units as tenants in common. A percentage of undivided interest in the Common Areas shall attach to each Unit, which percentage shall correspond to the Share of Common Expenses for such Unit as determined under Section 7.2 of this Declaration. Upon any conveyance or transfer of a Unit, the undivided interest in Common Areas attributable to such Unit shall automatically be conveyed or transferred with the Unit. No undivided interest in Common Areas may be transferred or conveyed separate or apart from the Unit to which the undivided interest is attributable. Each Owner shall have a license to use all of the Common Areas, subject to the terms and conditions of the Association Documents.

3.5 **Limited Common Areas.** Notwithstanding anything in the Association Documents to the contrary, only the Owner or Owners of the Unit or Units to which any Limited Common Areas relate, as designated on the Map, may use such Limited Common Areas, it being intended that Limited Common Areas shall not be available for the use of any other Owner or Owners.

ARTICLE IV THE ASSOCIATION

4.1 **Formation of the Association.** The Association has been formed as a Utah non-profit corporation.

4.2 **Purposes and Powers.**

(a) The Association's purposes are (i) to manage, operate, construct, improve, alter and maintain the Common Areas; (ii) to administer and enforce the covenants, conditions, restrictions, reservations and easements created hereby; (iii) to levy, collect and enforce the Assessments, charges and liens imposed pursuant hereto; and (iv) to regulate and manage the Project, including, without limitation, by adopting reasonable Rules and Regulations.

(b) Unless expressly prohibited by law or any of the Association Documents, the Association may (i) take any and all actions that it deems necessary or advisable to fulfill its purposes, and (ii) exercise all powers that may be exercised in Utah by nonprofit corporations.

4.3 **Association Documents.**

(a) The obligations, burdens and benefits created by this Declaration touch and concern the Property and are, and shall be, covenants running with each Unit for the benefit of all other Units and the Common Areas. The Association and each Owner shall comply with and benefit from each term, provision, covenant, condition, restriction, reservation and easement contained in the Association Documents.

(b) In the event that there is any conflict or inconsistency between the terms and conditions of this Declaration and the terms and conditions of the Articles, the Bylaws or the Rules and Regulations, the terms and conditions of this Declaration shall control. In the event that there is any conflict or inconsistency between the terms and conditions of the Articles and

the terms and conditions of the Bylaws or the Rules and Regulations, the terms and conditions of the Articles shall control. In the event of any conflict or inconsistency between the terms and conditions to the Bylaws and the terms and conditions of the Rules and Regulations, the terms and conditions of the Bylaws shall control.

4.4 **Books and Records.** Upon request the Association shall allow Owners, Mortgagees and their respective agents to inspect current copies of the Association Documents and the books, records, budgets and financial statements of the Association during normal business hours and under other reasonable circumstances. The Association may charge a reasonable fee for copying such materials.

4.5 **Personal Liability and Indemnification.**

(a) To the full extent permitted by applicable law, no Director or officer of the Association, and no employee, agent or committee member of the Association, shall be personally liable to the Association or any Owner for any injury, damage, loss, cost or expense suffered or incurred by reason of any act or omission of such Director, officer, employee, agent or committee member, unless a court of competent jurisdiction finds that the act or omission of such Director or officer, employee, agent or committee member was wanton and willful.

(b) The Association shall indemnify and hold each present or former Director or officer, employee, harmless agent or committee member against any and all claims, suits, proceedings, injuries, damages, losses, costs and expenses, including, but not limited to, attorneys' fees and disbursements, asserted against or incurred by any such present or former Director or officer, employee, agent or committee member to the fullest extent permitted by the Association Documents; provided, however, that in no event shall the Association indemnify or hold harmless any such Director or officer, employee, agent or committee member to the extent that he or she is personally liable for an act or omission under Paragraph 4.5(a) above.

ARTICLE V MEMBERSHIP IN THE ASSOCIATION

5.1 **Membership.**

(a) There shall be one Membership appurtenant to every Unit. A Membership may not be separated from the Unit to which it is appurtenant.

(b) Any Membership appurtenant to a Unit having more than one Owner shall be shared by such Owners.

(c) A Membership may be transferred or encumbered only in connection with the conveyance or encumbrance of a fee simple interest in the Unit to which the Membership is appurtenant. Any transfer or encumbrance of a Membership other than as permitted in this paragraph shall be void and have no force or effect.

5.2 **Voting.**

(a) Each Membership shall be entitled to one vote, regardless of the number

of Owners of the Unit to which the Membership is appurtenant. Fractional voting shall not be allowed. If the Owners of a Unit cannot agree among themselves as to how to cast their vote when they are required to cast their vote on a particular matter, they shall lose their right to vote on such matter. If any Owner casts a vote representing a certain Membership, it will thereafter be conclusively presumed for all purposes that the Owner was acting with the authority and consent of all other Owners with whom such Owner shares the Membership, unless objection thereto is made to the chairperson of the meeting at the time the vote is cast. If more than one vote is cast for any particular Membership, none of such votes shall be counted and all of such votes shall be deemed null and void.

(b) In any election of Directors to the Executive Board, every Membership shall have the number of votes equal to the number of Directors to be elected to the Executive Board by such election. Cumulative voting shall not be allowed in the election of Directors to the Executive Board or for any other purpose.

(c) Notwithstanding the terms and conditions of **paragraph 5.2(a)** above, the Association shall have no voting rights for any Membership appurtenant to any Unit owned by the Association.

**ARTICLE VI
EXECUTIVE BOARD**

6.1 Powers of the Executive Board.

(a) Except as provided in this Declaration, the Articles and the Bylaws, the Executive Board may act on behalf of the Association in all instances.

(b) The Executive Board may not act on behalf of the Association to (i) amend this Declaration; (ii) terminate the Project; (iii) elect Directors to the Executive Board, other than to fill a vacancy for the unexpired portion of a Director's term; or (iv) determine the qualifications, powers and duties, or terms of office, of Directors.

6.2 Removal of Members of the Executive Board. Notwithstanding any provision of this Declaration or any other Association Document to the contrary, the Owners, by a vote of at least 67 percent of all Memberships represented (in person or by proxy) and entitled to vote at any meeting, may remove any Director, with or without cause.

6.3 Professional Management of the Project. The Executive Board may enter service and management agreements for the Project. The term of such service or management contracts may not exceed three years. In addition, any such service or management contract must provide for termination by either party without cause and without payment of a termination fee on 30 days or less written notice.

**ARTICLE VII
ASSESSMENTS, COMMON EXPENSES, BUDGETS AND LIENS**

7.1 Obligations for Assessments.

(a) Each Owner, by accepting a deed to a Lot (whether or not it shall be expressly stated in such deed), shall be deemed to have covenanted and agreed, to pay to the Association all (i) Initial Assessments; (ii) General Assessments; (iii) Special Assessments; (iv) Default Assessments; and (v) other charges that the Association is required or permitted to levy or impose on such Owner or such Owner's Unit pursuant to this Declaration or any other Association Document.

(b) No Owner shall be exempt from liability for any such Assessment or other charge by waiving the use or enjoyment of the Common Areas, or any portion thereof, or by abandoning a Unit against which such Assessments or other charges are made.

(c) Except as provided in this **paragraph 7.1(c)** and **paragraph 7.9(a)** below, the obligation to pay to the Association any Assessment or other charges levied against any Unit shall be a joint and several obligation of the Owner or Owners of such Unit and such Owner's or Owners' successors, assigns, heirs, devisees and personal representatives. A Person acquiring fee simple title to a Unit shall be jointly and severally liable with the former Owner of the Unit for all Assessments and other charges that had accrued and were payable when such Person acquired fee simple title to the Unit, for so long as such Person holds fee simple title to the Unit.

(d) Each Assessment or other charge, together with interest and penalties thereon and all costs and expenses incurred by the Association to collect such Assessment or other charge, including reasonable attorneys' fees and disbursements, may be recovered by a suit for a money judgment by the Association without foreclosing or waiving any Assessment Lien securing the same.

7.2 Shares of Common Expenses. Except as otherwise set forth in this Declaration, all Common Expenses shall be allocated equally among all Units. Accordingly, the percentage of Common Expenses allocated to each Lot shall be 0.96%.

7.3 Budgets.

(a) On or before November 1 of each calendar year the Executive Board shall adopt a proposed annual budget for the Association for the following calendar year, which proposed budget shall, among other things, set forth (i) the Executive Board's estimates of Common Expenses for the next calendar year, (ii) the Executive Board's estimates of amounts required to be placed in a reserve fund for operation, maintenance, repair and replacements of Common Area properties, (iii) the amount of funds for such Common Expenses and reserves that the Executive Board proposes to raise through General Assessments; and (iv) the amount of funds for such Common Expenses and reserves that the Executive Board proposes to raise through Special Assessments. Within thirty days after adopting a proposed budget, the Executive Board shall deliver a summary of the proposed budget to all Owners and set a date for a meeting of the Owners to consider ratification of the proposed budget. The date of such meeting shall not be less than fourteen days, nor more than sixty days, after the delivery of the summary of the proposed budget to the Owners. Unless at that meeting a majority of the votes allocated to all Memberships, whether or not a quorum is present, rejects the proposed budget, the proposed budget shall be deemed ratified. In the event that the proposed budget is rejected, the annual budget last ratified by the Owners shall be deemed renewed for the next calendar year and shall

remain in full force and effect until such time as the Owners ratify a subsequent budget proposed by the Executive Board.

(b) If the Executive Board deems it necessary or advisable to amend an annual budget that has been ratified by the Owners under **paragraph 7.3(a)** above, the Executive Board may adopt a proposed amendment to the annual budget, deliver a summary of the proposed amendment to all Owners and set a date for a meeting of the Owners to consider ratification of the proposed amendment. The date of such meeting shall not be less than fourteen days, nor more than sixty days, after the delivery of the summary of the proposed amendment. Unless at that meeting a majority of the votes allocated to all Memberships, whether or not a quorum is present, rejects the proposed amendment, the proposed amendment shall be deemed ratified.

7.4 Initial and Transfer Assessments. Upon each purchase of a Unit by a Purchaser, there shall be automatically levied an assessment against such Unit in the amount of 1/10 of one percent (a "**Transfer Assessment**"). Each Transfer Assessment shall be due and payable in full on or before the date upon which the purchase of the Unit to which the Transfer Assessment relates is consummated. The Association shall hold all of the Transfer Assessments in a reserve to pay Common Expenses and other expenses of the Association if other funds of the Association are not available to pay the same.

7.5 General Assessments.

(a) After the Owners ratify an annual budget under **paragraph 7.3(a)** above, the Association shall levy an assessment for Common Expenses and reserve funds (a "**General Assessment**") on each Unit. The amount of the General Assessment to be levied against a Unit shall equal the product obtained by multiplying (i) the amount set forth in the annual budget ratified by the Owners as the amount of Common Expenses and reserve funds to be raised by General Assessments, by (ii) that Unit's Share of Common Expenses. The Owners shall pay the General Assessments levied against their respective Units in such periodic installments as may be required by the Association.

(b) If the Owners ratify an amendment to the General Assessment portion of an annual budget pursuant to **paragraph 7.3(b)** above, the amount of the General Assessment levied against each Unit shall be adjusted accordingly, as shall the amount of each Owner's periodic installments.

(c) If the Owners fail to ratify an annual budget for any calendar year prior to January 1 of that calendar year, the Owners shall continue to pay periodic installments of the General Assessment to the Association at the rate payable during the prior calendar year until such time as the Owners ratify a new annual budget for the then current calendar year. Once the Owners ratify a new annual budget, the Association shall levy on each Unit the General Assessment for the then current calendar year and each Owner's periodic installments shall be adjusted as necessary to pay the new General Assessment in equal periodic installments over the remainder of such calendar year, giving the Owners credit for any installments that the Owners have previously paid to the Association during such calendar year.

(d) The failure of the Association to levy a General Assessment for any

calendar year shall not be deemed a waiver, modification or release of the Owners' liability for the Share of Common Expenses allocated to such Owner's Unit.

7.6 Special Assessments.

(a) The Assessments that the Association may levy pursuant to this Section 7.6 are referred to in this Declaration as "**Special Assessments.**"

(b) Notwithstanding anything to the contrary contained in Section 7.5 above, if any Common Expense benefits fewer than all of the Units, the Association may levy an Assessment for such Common Expense exclusively against the Units benefited thereby, equally or in any other equitable proportions as the Association deems appropriate.

(c) Each Special Assessment levied against any Unit shall be shown on an annual budget, or on an amendment to an annual budget, ratified by the Owners in accordance with Section 7.3 above, and shall be paid as and when required by the Association.

7.7 Default Assessments.

(a) Notwithstanding anything to the contrary contained herein, if any Common Expense is caused by (i) the negligence or misconduct of an Owner or an Owner's family member, employee, agent, lessee or guest, or (ii) a violation of any covenant or condition of an Association Document by an Owner or an Owner's family member, employee, agent, lessee or guest, the Association may levy an Assessment against such Owner's Unit for the amount of such Common Expense. Any such Assessment levied by the Association, and each fine, penalty, fee or other charge imposed upon an Owner for the violation of any covenant or condition of any Association Document by an Owner or an Owner's family member, employee, agent or guest, referred to herein as a "**Default Assessment.**"

(b) Default Assessments need not be shown on an annual budget, or on an amendment to an annual budget, ratified by the Owners in accordance with Section 7.3 above.

(c) With respect to any Default Assessments, or portion thereof, levied other than as a late charge, the Owner of the Unit against which the Association seeks to levy the Default Assessment shall be provided notice and an opportunity to be heard. Owners of Units against which Default Assessments have been levied shall pay such Default Assessments when required by the Association.

7.8 Assignment of Assessments. The Association shall have the unrestricted right to assign its right to receive Assessments and other future income, either as security for obligations of the Association or otherwise.

7.9 Assessment Lien.

(a) Pursuant to Section 57-8-20 of the Act, the Association shall have a statutory lien on each Unit for any Assessment levied against that Unit and any interest, attorneys' fees and disbursements and costs of collection imposed against its Owner under any Association Document. The Assessment Lien shall secure all of the foregoing obligations of an

Owner from the time such obligations become due. If an Assessment is payable in installments, the Assessment Lien secures each installment from the time it becomes due, including the due date set by any valid Association acceleration of installment obligations.

(b) An Assessment Lien is prior to all other liens and encumbrances on a Unit except:

(i) tax and special assessment on the Unit in favor of any assessing unit or special improvement district; and;

(ii) liens and encumbrances recorded prior to the recordation of a notice of the Assessment Lien which by law would be prior to subsequently recorded encumbrances.

(c) This **Section 7.9** does not prohibit (i) actions or suits to recover sums secured by an Assessment Lien, or (ii) the Association from taking a deed in lieu of foreclosure.

(d) In any action by the Association to collect Assessments or to foreclose an Assessment Lien for unpaid Assessments, the court may appoint a receiver of the Owner to collect all sums due to the Owner with respect to the Unit. A court may order the receiver to pay any sums collected by the receiver to the Association during the pending of the action to the extent of the Association's Assessments.

(e) An Assessment Lien may be enforced by sale or foreclosure of the applicable Unit by the Association or Executive Committee, which sale or foreclosure shall be conducted in the same manner as foreclosures in deeds of trust or mortgages.

7.10 Estoppel Certificates; Notices to Mortgagees.

(a) The Association shall furnish to an Owner or such Owner's designee or to a Mortgagee or its designee, upon written request, delivered personally or by certified mail, first-class postage prepaid, return receipt requested, to the Association's registered agent, a statement setting forth the amount of unpaid Assessments currently levied against such Owner's Unit. The statement shall be furnished within fourteen calendar days after the Association's receipt of the request and shall be binding on the Association, the Executive Board and every Owner. If no statement is furnished to the Owner, the Mortgagee or their designee, delivered personally or by certified mail, first-class postage prepaid, return receipt requested, then the Association shall have no right to assert an Assessment Lien upon the Unit for unpaid Assessments which were due as of the date of the request.

(b) The Association shall report to any Mortgagee any unpaid Assessments remaining unpaid for more than sixty days after the same shall have become due, if such Mortgagee first shall have delivered to the Association a written request for notice of unpaid Assessments. Any Mortgagee holding a lien on a Unit may pay any unpaid Assessment with respect to such Unit, together with any and all costs and expenses incurred with respect to the Assessment Lien securing such unpaid Assessment, and upon such payment, such Mortgagee shall have a lien on the Unit for the amounts paid with the same priority as a lien of the Mortgage held by such Mortgagee.

**ARTICLE VIII
MAINTENANCE OF COMMON AREAS AND UNITS**

8.1 Maintenance of Common Areas.

(a) Except as otherwise provided in this Declaration, the Association, or its duly designated agent, shall maintain all Common Areas, including, without limitation, all Limited Common Areas and the improvements and landscaping located thereon in good order and repair and shall otherwise manage and operate all Common Areas as it deems necessary and appropriate. In this regard the Association may:

- (i) construct, modify, add to, replace or renovate any improvements that are located on, or constitute a part of, any Common Areas;
- (ii) plant and replace trees, shrubs and other vegetation on any Common Areas; any Common Areas;
- (iii) place, maintain and replace signs upon Common Areas;
- (iv) adopt and enforce Rules and Regulations regulating the use of Common Areas;
- (v) impose and collect fees for the use of any Common Areas; and
- (vi) take any other actions that the Association deems necessary or advisable to protect and maintain the Common Areas.

(b) The Executive Board shall be the sole judge as to the appropriate maintenance, operation and management of the Common Areas.

8.2 Maintenance of Units.

(a) Each Owner, at such Owner's sole cost and expense, shall maintain such owner's Unit and the improvements constituting a part thereof, in good order and repair.

(b) If, in the reasonable judgment of the Association, an Owner fails to maintain the Owner's Unit, or the exterior of any improvements constituting a part thereof in good order and repair, and such failure remains uncured for more than thirty days after the Association's delivery of written notice thereof to such Owner, the Association may enter upon such Unit and perform such maintenance or repair as the Association deems necessary or advisable and charge all costs and expenses incurred by the Association in connection therewith to such Owner as a Default Assessment.

**ARTICLE IX
RESERVED**

**ARTICLE X
MODIFICATION REVIEW**

10.1 Modification Review Board.

(a) The Executive Board shall establish a Modification Review Board which shall consist of such odd number of regular members and alternate members as the Executive Board may designate. The members of the Modification Review Board shall be appointed by the Executive Board. The regular term of office for each member shall be one year. Any such member may be removed with or without cause by the Executive Board at any time by written notice. A successor appointed to fill any vacancy on the Modification Review Board shall serve the remainder of the term of the former member.

(b) The Modification Review Board shall select its own chairman and vice-chairman from among its members. The chairman or, in the chairman's absence, the vice-chairman shall be the presiding officer of its meetings. In the absence of both the chairman and the vice-chairman from a meeting, the members present shall appoint a member to serve as acting chairman at such meeting. Meetings shall be held upon call of the chairman or vice-chairman at the offices of the Association. A majority of members shall constitute a quorum for the transaction of business. An alternate member may participate at any meeting at which there is not a quorum and shall have all of the authority of a regular member while so participating. In the absence of a quorum, a lesser number may adjourn any meeting to a later time or date. The affirmative vote of a majority of the members of the Modification Review Board shall constitute the action of the Modification Review Board on any matter before it. Except as set forth above, the Modification Review Board shall operate in accordance with its own Rules and Regulations which shall be filed with the Association and maintained in the records of the Association and shall be subject to inspection by all Owners and Mortgagees.

(c) The Modification Review Board is hereby authorized to retain the services of one or more consulting architects, landscape architects, urban designers or other professionals to advise and assist the Modification Review Board in performing the modification review functions prescribed in this **Article X**.

10.2 Modification Review Board Approval and Control.

(a) No Owner may make any material alteration to his Unit visible from or affecting the Common Areas without the prior written consent of the Modification Review Board. Painting, other wall coverings, carpeting, etc. which do not damage the Common Areas shall not be considered material alterations. The approval of any requested alteration shall be at the sole discretion of the Modification Review Board. In determining whether to approve any requested modification, the Modification Review Board shall consider such matters as: (i) the compatibility of the modification with the overall design and appearance of the Project; (ii) the extent to which the construction of that modification may adversely impact other Owners and their respective Units; (iii) whether the requesting Owner has made the necessary arrangements for the modification to be completed expeditiously, and in a high quality, workmanship manner, and (iv) such other factors as the Modification Review Board deems relevant. The decisions of the Modification Review Board shall be conclusive and binding on all interested parties, subject

only to the right of appeal and review by the Executive Board as described in Section 10.3 below.

(b) Each Owner shall comply with the Rules and Regulations of the Modification Review Board, as the same may be amended from time to time by the Modification Review Board.

(c) The Modification Review Board or its designated representative may monitor any approved project to the extent required to ensure that the construction or work on such project complies with any and all approved plans and construction procedures. The Modification Review Board or its designated representatives may enter upon any Unit at any reasonable time or times to inspect the progress, work status or completion of any project. In addition to the remedies described in Section 10.4 below, the Modification Review Board may withdraw approval of any project and require all activity at such project to be stopped, if deviations from the approved plan or approved construction practices are not corrected or reconciled promptly after written notification to the Owner specifying such deviations.

(d) Any material to be submitted or notice given to the Modification Review Board shall be submitted at the office of the Association.

10.3 Appeal to Executive Board. Any Owner aggrieved by a decision of the Modification Review Board may appeal the decision to the Executive Board in accordance with procedures to be established by the Executive Board. Such appeal shall be in writing and shall be filed within thirty days after the decision of the Modification Review Board. In the event the decision of the Modification Review Board is overruled by the Executive Board on any issue or question, the prior decision of the Modification Review Board shall be deemed modified to the extent specified by the Executive Board and such decision, as so modified, shall thereafter be deemed the decision of the Modification Review Board.

10.4 Enforcement of Restrictions.

(a) The Modification Review Board shall have primary responsibility to enforce the restrictions set forth in this Article X and the Rules and Regulations adopted by the Modification Review Board; provided, however, that such responsibility shall not limit the right of the Association to take action under any other Article of this Declaration. If the Modification Review Board does not take action to enforce such restrictions within fifteen days after being requested to do so by the Executive Board, the Association may assume responsibility for enforcing such restrictions in any case in which the Modification Review Board declined to act.

(b) If an Owner violates any term or condition set forth in this Article X or in the Rules and Regulations of the Modification Review Board, the Modification Review Board and the Association shall have the following rights and remedies:

(i) The Modification Review Board may, by written notice to the Owner, revoke any approval previously granted to the Owner, in which event the Owner shall, upon receipt of such notice, immediately cease any improvement or alteration covered by the approval so revoked.

(ii) The Modification Review Board and the Association may, but are not obligated to, enter upon the Owner's Unit and cure such violation at the Owner's sole cost and expense. If the Modification Review Board or the Association cures any such violation, the Owner shall pay to the Association the amount of all costs incurred by the Modification Review Board or the Association in connection therewith within thirty days after the Owner receives a written invoice therefor from the Modification Review Board or the Association.

(iii) The Association may sue the Owner to enjoin such violation.

(iv) The Association may sue the Owner for all damages, losses, costs and expenses, including, without limitation, reasonable attorneys fees and disbursements, incurred by the Modification Review Board or the Association as a result of the violation.

(v) The Modification Review Board and the Association shall have all other rights and remedies available to them under this Declaration, at law, or in equity. All rights and remedies of the Modification Review Board and the Association shall be cumulative and the exercise of one right or remedy shall not preclude the exercise of any other right or remedy.

10.5 Fees. The Modification Review Board may establish reasonable processing and review fees for considering any requests for approvals submitted to it, which fees shall be paid at the time the request for approval is submitted. The Executive Board may also establish a requirement for the escrowing of funds in an amount sufficient to guarantee completion of a proposed modification or other finish work included as a part of construction plans which have been presented to or approved by the Modification Review Board.

ARTICLE XI COVENANTS, CONDITIONS AND RESTRICTIONS

11.1 Use of Units. Except as provided in this Section 11.1, each Unit shall be used only as a single family residence, and no gainful occupation, profession, trade, business (collectively, "**Business**") or other nonresidential use shall be conducted in, at or from any Unit or any of the Common Area. The Executive Board shall have the discretion, however, to permit the operation of Businesses within Units provided each such Business (a) has no noticeable impact on traffic (vehicular or pedestrian) or parking within the Project, (b) is of a nature compatible with the character of the Project, as determined by the Executive Board in its sole and absolute discretion, and (c) is approved by the Executive Board in writing, which approval may be granted, withheld and/or revoked by the Executive Board at any time in its sole and absolute discretion.

11.2 Exterior Antennas and Satellite Dishes. Exterior antennas, satellite dishes and other similar hardware (collectively, "**Reception Devices**") are prohibited to the maximum extent permitted by applicable law from time to time (provided that the Executive Board shall have the authority, in its sole and absolute discretion, to grant variances from such prohibition). To the extent Reception Devices cannot be prohibited under applicable law, and/or variances are granted from the prohibitions herein contained, the erection of all Reception Devices shall be subject to the prior written approval of the Modification Review Board, which shall have the maximum authority permitted by applicable law to impose conditions thereon, such as prior

written approval of location, appearance (including color) and screening. In the event any screening or other condition required by the Modification Review Board is determined by the Executive Board (in its sole and absolute discretion) to be likely to result in a cost in excess of the amount the Owner in question can be legally required to incur, the Executive Board shall have the authority to expend common funds to pay or reimburse such excess cost.

11.3 **Nuisances**. No rubbish or debris of any kind shall be placed or permitted to accumulate upon or adjacent to any Unit, and no odors or loud noises shall be permitted to arise or emit therefrom, so as to render any such Unit or the Common Areas in the vicinity thereof, or activity thereon, unsanitary, unsightly, offensive or detrimental to any other Unit or Common Areas, or to the occupants or users thereof. No other nuisance shall be permitted to exist or operate in or about any Unit so as to be offensive or detrimental to any other Unit or the Common Areas. No laundry or camping equipment shall be allowed drying or hanging outside: the Units or common areas.

11.4 **Parking of Vehicles**. No vehicle shall be parked or stored at any location within the Project except in garages, driveways and designated parking areas. No trailers, boats, motorcycles, racks, snowmobiles, motorhomes, recreational vehicles or any other type of vehicles shall be parked or stored within the Project except in garages. Motorhomes may be parked at an Owner's Unit for up to 24 hours to clean and service. The use or operation of snowmobiles, motorcycles or other recreational vehicles on the streets of the Property is not permitted, except that street legal and licensed motorcycles may be used for ingress to or egress from the Property provided that they are not unreasonably noisy and must comply with existing noise ordinance, and shall not be allowed to be used for "joy" riding around the streets of the Project, and provided that they are not operated in excess of 10 mph.

11.5 **Trash and Rubbish**. The burning of rubbish, leaves or trash on the Property is prohibited. Trash containers shall be covered and kept screened from view from the street in suitable enclosed areas, except during collection. No Owner, shall permit any thing or condition to exist in or about his Unit which may induce, breed or harbor infectious plant diseases or noxious insects.

11.6 **Signs**. No signs of any kind shall be displayed to public view from any Unit.

11.7 **Restricted Use of Retention Areas, Ponds and Watercourses**. Any retention areas, ponds and watercourses that may be located within the Property will be created for the aesthetic beauty of the Property and shall not be used for wading, swimming, fishing or any other recreational purpose.

11.8 **Animals**. Native wildlife shall not be fed or hunted within the Property. No animal, bird, fowl, livestock of any kind shall be raised, bred or kept in or about any Unit except that domestic dogs (a maximum of two), cats (maximum of two) and other household pets may be permitted by the Association so long as they are kept within the Unit at all times, except when on a leash and under the direct control of the Owner. Pet owners shall promptly remove and dispose of all excrement emitted by their pets in any Common Area. No pet runs, kennels or houses shall be allowed outside of Units.

11.9 **Restriction on Further Subdivision Property Restrictions and Rezoning.** No Unit shall be further subdivided or separated into smaller Units by any Owner, and no portion less than all of any such Unit, nor any easement or other interest therein, shall be conveyed or transferred by any Owner without the prior written approval of the Executive Board. No further covenants, conditions, restrictions or easements shall be recorded by any Owner or other person against any Unit without the provisions thereof having been first approved in writing by the Executive Board and any covenants, conditions, restrictions or easements recorded without such approval being evidenced thereon shall be null and void. No application for rezoning of any Unit, and no applications for variances or use permits, shall be filed with any governmental authority unless the proposed use of the Unit has been approved by the Executive Board and the proposed use otherwise complies with this Declaration.

11.10 **Restrictions Not Exclusive.** The restrictions, limitations and requirements set forth in this **Article XI** are in addition to, and not in lieu of, the other provisions of the Association Documents.

ARTICLE XII EASEMENTS AND RESERVATIONS

12.1 **Declarant's Easements Over Common Areas.**

(a) Declarant hereby reserves for itself, its successors and assigns an easement over, across, through and under the Common Areas to (i) discharge Declarant's obligations under this Declaration; (ii) exercise any of Declarant's rights under this Declaration; and (iii) make improvements within the Project.

(b) Declarant hereby reserves to itself, its successors and assigns, the right to (i) establish from time to time utility and other easements, permits or licenses over, across, through and under the Common Areas, and (ii) create other reservations, exceptions and exclusions for the best interest of all Owners and the Association.

12.2 **Owners' Easements Over Common Areas.** Subject to the terms and conditions of this Declaration and all other Association Documents, Declarant hereby grants to the Owners an easement over, across and through the Common Areas (a) for ingress and egress to their Units, and (b) to use and enjoy the Common Areas.

12.3 **Utility Easement.** There is hereby created a blanket easement over, across, through and under the Property for ingress to, egress from, and the installation, replacement, repair and maintenance of, all utility and service lines and systems, including, without limitation, water, sewer, gas, telephone, electricity and cable television. The Association may authorize the release of portions of the blanket easement created by this **Section 12.3** upon the request of any Owner showing good cause therefor. Notwithstanding anything to the contrary contained in this **Section 12.3**, no sewers, electrical lines, water lines, telephone lines or other utility or service lines may be installed or relocated on any portion of the Property, except as approved by the Modification Review Board.

12.4 **Association's Easements Over Common Areas.** Declarant hereby grants the Association an easement over, across, through and under the Common Areas to (a) exercise any

right held by the Association under this Declaration or any other Association document, and (b) perform any obligation imposed upon the Association by this Declaration or any other Association Document. Notwithstanding the foregoing, the Association shall not enter upon any Unit without reasonable prior notice to the owner of the Unit, except in cases of emergency.

12.5 **Recorded Easements.** The Property shall be subject to all easements shown on the Map and/or any recorded plat affecting the Property and to any other easements of record or of use as of the date of recordation of this Declaration.

12.6 **Encroachments.** The Executive Board may grant appropriate easements when an encroachment occurs on a Common Area or Unit due to construction, reconstruction, repair, shifting, settlement, or other movement of any portion of a Common Area or Unit improvement. Such encroachment easement shall only be valid until the encroachment is cured.

ARTICLE XIII INSURANCE

13.1 **Insurance Required to be Obtained by the Association.** The Association shall secure and at all times maintain for the benefit of the Association and the Owners the following insurance coverages:

(a) **Hazard Coverage.** A multi-peril policy or policies of fire and other hazard insurance covering the entire Common Areas, with extended coverage and all other coverages in the kinds and amounts commonly required by private institutional mortgage investors for projects similar in construction, location and use, including the standard "all risk" endorsement, on a replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value (based upon replacement cost) of the Project. The insured shall be the Association. In addition, the Association shall obtain, if available at reasonable cost, an Inflation Guard Endorsement and a Building Ordinance or Law Endorsement.

(b) **Public Liability.** A comprehensive policy of public liability insurance covering all of the Common Areas insuring the Association, the Executive Board and the Modification Review Board (which for purposes of this Article shall include the members of such Boards) (collectively, the "**Boards**") and the Owners against any liability incident to the ownership, use, or operation of the Common Areas and public ways of the Project or of any Unit which may arise among themselves, to the public, or to any invitees, or tenants of the Project, or of the Owners. Limits of liability under such insurance shall be not less than \$1,000,000.00 covering all claims for bodily injury and/or property damage arising out of a single occurrence, including protection against water damage liability, liability for non-owned and hired automobiles and liability for property of others. Such insurance policy shall contain a "severability of interest" endorsement which shall preclude the insurer from denying the claim of a Owner because of negligent acts of the Association, its Officers, the Boards, or the Owners.

(c) **Workmen's Compensation Insurance.** The Association shall obtain and maintain for the benefit of and on behalf of the Association, workmen's compensation and employer's liability insurance and all other similar insurance with respect to any employees of the Association in the amounts and in the forms now or hereafter required by law.

(d) **Fidelity Insurance or Bond.** The Association shall purchase for the benefit of and on behalf of the Association, in amounts not less than three months Assessments for all Units, and in such forms as it deems appropriate, fidelity insurance or a bond to cover against dishonesty of Board members, Officers, employees and others who hold or administer funds, destruction or disappearance of money or securities, and forgery. The fidelity policy or bond shall name the Association as the insured.

13.2 Additional Provisions. The following additional provisions shall apply with respect to insurance.

(a) In addition to the insurance and bond coverage described above, the Association shall secure and at all times maintain for the benefit of and on behalf of the Association, insurance against such risks as are or hereafter may be customarily insured against in connection with all condominium projects similar to the Project in construction, nature and use.

(b) All insurance policies shall be written by a company holding a "B" or better general policyholder's rating or a "6" or better financial performance index rating in Best's Insurance Reports, an "A" or better general policyholder's rating and a financial size category of "VIII" or better in Best's Insurance Reports - International Edition, an "A" or better rating in Demotech's Hazard Insurance Financial Stability Ratings, a "BBBq" qualified solvency ratio or a "BBB" or better claims-paying ability rating in Standard and Poor's Insurer Solvency Review, or a "BBB" or better claims-paying ability rating in Standard and Poor's International Confidential Rating Service. Each insurer must be specifically licensed to transact business within the State of Utah. Policies are unacceptable where (i) under the terms of the carrier's charter, bylaws or policy, contributions or assessments may be made against the Association, any Owner or any Mortgagee; (ii) by the terms of the carrier's charter, bylaws or policy, loss payments are contingent upon action by the carrier's board of directors, policy holders, or members; or (iii) the policy includes any limiting clauses (other than insurance conditions) which could prevent a Mortgagee or the Association from collecting insurance proceeds.

(c) The Association, on behalf of all Owners, individually and collectively, shall have the authority to adjust losses with respect to insurance secured and maintained by the Association, to pursue claims, negotiate and settle claims, and to enter into agreements relative to the same, and each Owner shall be deemed to have appointed the Association as an attorney-in-fact for such purpose.

(d) Insurance secured and maintained by the Association shall not be brought into contribution with insurance held by the individual Owners or their Mortgagees.

(e) Each policy of insurance obtained by the Association for the benefit of the Association shall provide: a standard mortgage clause commonly accepted by private institutional mortgage investors in the area in which the Project is located; a waiver (if available) of the insurer's subrogation rights with respect to the Association, the Officers of the Association, the Boards, the Owners, and their respective servants, agents and guests; that it cannot be canceled, suspended or invalidated due to the conduct of any member, officer, or employee of the Association without a prior written demand that the defect be cured; that any "no other insurance" clause therein shall not apply with respect to insurance held individually by

the Owners; and that a mortgagee clause endorsement which must provide that the insurance carrier shall notify in writing any and all insureds, including the servicers on behalf of Mortgagees thereof at least 30 days in advance of the effective date of any substantial modification or cancellation of the policy.

(f) Any Owner may obtain additional insurance at his own expense, so long as such additional insurance does not have the effect of decreasing the amount which may be realized under any policy maintained by the Association. Any Owner who individually obtains insurance covering any portion of the Project shall supply the Management Committee with a copy of his policy within 30 days after he acquires such insurance.

(g) Insurance coverage required by this Article must not be prejudiced by (i) any act or neglect of the Owners, or (ii) any failure of the Association to comply with any warranty or condition regarding any portion of the Project over which the Association has no control.

(h) All policies of property insurance must provide that notwithstanding any provision affording the insurer the right to elect to restore damage in lieu of a cash settlement, such option shall not be exercisable without the prior written approval of the Association (or any insurance trustee) or when in conflict with the provisions of any insurance trust agreement to which the insurance may be a party, or any requirement of law.

(i) The foregoing provisions of this Article shall not be construed to limit the power or authority of the Association to obtain and maintain insurance coverage. In addition to any insurance coverage required hereunder, the Association may obtain such other insurance or additional insurance in such amounts and in such forms as the Association may deem proper from time to time.

(j) The Association shall have no responsibility regarding insurance on the personal property of Owners, including wallpaper, paint, floor coverings, etc. Each Owner shall acquire for his own protection, such insurance on his personal property as he deems appropriate.

(k) The maximum deductible amount for policies covering Units and Common Areas shall be the lesser of \$10,000 or 1% of the policy face amount.

ARTICLE XIV CASUALTY

14.1 **Casualty to Common Areas.** The Association shall respond to any damage to, or destruction of, any Common Areas in accordance with the terms and conditions of the Act.

14.2 **Casualty to a Unit.** Each Owner shall be responsible for repairing or replacing any damage to, or destruction of, his Unit.

ARTICLE XV CONDEMNATION

15.1 **Condemnation of Common Areas.** Whenever all or any part of the Common Areas shall be taken by condemnation or similar proceeding, or whenever all or any part of the

Common Areas is conveyed in lieu of a taking under a threat of condemnation, the award payable in connection therewith shall be paid to the Association and used by the Association (a) first, to repair any damage to Common Areas resulting from the condemnation or other taking, and (b) second, for any other Common Expenses.

**ARTICLE XVI
(RESERVED)**

**ARTICLE XVII
RIGHTS OF MORTGAGEES**

17.1 **Benefit of Mortgagees.** The terms and conditions contained in this Article XVII are for the benefit of Mortgagees. To the extent necessary, applicable or proper, the provisions of this Article XVII apply to this Declaration and to the Articles and Bylaws.

17.2 **Notices of Action.** The Association shall give to each Eligible Holder timely written notice of:

(a) any condemnation loss or any casualty loss which affects a material portion of the Project or which affects any Unit on which there is a First Mortgage held, insured or guaranteed by such Eligible Holder,

(b) any delinquency in the payment of Assessments or charges owed to the Association by an Owner whose Unit is subject to the First Mortgage of such Eligible Holder, or any default by such Owner in the performance of any such Owner's obligations under this Declaration or any other Association Document, if the Executive Board has actual notice of such default, which is not cured within sixty days;

(c) any lapse, cancellation or material modification of any insurance policy or fidelity bond required to be maintained by the Association; and

(d) any proposed action which would require the consent of a specified percentage of First Mortgagees as provided in this Article XVII.

17.3 **Approvals of Specified Actions.**

(a) The consent of Owners to whom at least 67 percent of the votes allocated to all Memberships are allocated, and the consent of at least 67 percent of all First Mortgagees (based on one vote for each First Mortgage held) shall be obtained before taking the following actions:

(i) a decision by the Association to establish self-management when professional management had been required previously by an Eligible Holder,

(ii) restoration or repair of the Project (after a hazard damage or partial condemnation) in a manner other than that specified in this Declaration;

(iii) partition, subdivide, abandon, transfer or encumber any Unit or

Common Area (after a hazard damage or partial condemnation) in a manner other than that specified in the Declaration;

(iv) change the pro rata interests or obligations associated with any Unit for purposes of assessments or allocating hazard insurance or condemnation proceeds (after a hazard damage or partial condemnation) in a manner other than specified in the Declaration; and

(v) termination of the legal status of the Project after any substantial destruction or condemnation occurs.

(b) The consent of Owners to whom at least 67 percent of the votes allocated to all Memberships are allocated, and the consent of at least 67 percent of all First Mortgagees (based on one vote for each First Mortgage held) shall be required to commence any action to terminate the legal status of the Project for reasons other than substantial destruction or condemnation of the Project.

17.4 Approvals for Amendments to Documents.

(a) Except with respect to those amendments to this Declaration that Declarant is expressly permitted to make under this Declaration, the consent of Owners to which at least 67 percent of the votes allocated to all Memberships are allocated, and the consent of at least 67 percent of all First Mortgagees (based on one vote for each First Mortgage held) shall be required to add to, delete or amend any material provisions of this Declaration, the Articles or the Bylaws which establish, provide for, govern or regulate any of the following:

- (i) voting rights;
- (ii) Assessments, the Assessment Lien or the subordination of the Assessment Lien;
- (iii) reserves for maintenance, repair and replacement of Common Areas;
- (iv) responsibility for the maintenance and repair of the Common Areas;
- (v) the reallocation of interests in the Common Areas or the rights to the use thereof;
- (vi) boundaries of any Units;
- (vii) the convertibility of Units into Common Areas or vice versa;
- (viii) the expansion or contraction of the Project or the addition, annexation or withdrawal of the property to or from the Project;
- (ix) insurance or fidelity bonds;

- (x) the leasing of Units;
- (xi) the imposition of any restrictions on an Owner's rights to sell or transfer his or her Unit;
- (xii) any provision that expressly benefits the Eligible Holders; and.
- (xiii) the mortgaging of the Common Areas.

17.5 **Implied Approval.** A First Mortgagee shall be assumed to have granted any consent or approval described in this **Article XVII** if it fails to submit a response to any written request therefor within ten days after it receives such request; provided, however, that such request was delivered by certified or registered mail, return receipt requested. It shall be the responsibility of each First Mortgagee to keep the Association apprised of its current notice address, and the Association shall have no obligation to send any notice intended for such First Mortgagee to any other address. Until it has provided the Association with such address, each First Mortgagee shall be deemed to have waived the right to receive notices, and its consent to any amendment proposed by the Association shall be deemed given.

17.6 **Limitation to Pay Assessments and Charges.** Any First Mortgagee who obtains title to a Unit pursuant to remedies in a Mortgage or through foreclosure of a Mortgage will not be liable for more than six months of the Unit's unpaid Assessments or other charges that accrued before the First Mortgagee acquired title to the Unit.

17.7 **Rights to Insurance and Condemnation Proceeds.** No provision of this Declaration shall be deemed to give an Owner or any other party priority over any rights of the First Mortgagee pursuant to its Mortgage on an Unit relating to payment to the Owner of insurance proceeds or condemnation awards for losses to or a taking of the Unit.

17.8 **Right to Pay Taxes and Charges.** First Mortgagees may, jointly or individually, pay taxes or other charges which are in default and which may or have become a charge against any Common Element and may pay overdue premiums on casualty insurance policies or secure new casualty insurance policies upon the lapse of the policy required to be maintained by the Association pursuant to **paragraph 13.1(a)** above. Any First Mortgagees making such payments shall be owed immediate reimbursement therefor from the Association.

ARTICLE XVIII ENFORCEMENT AND REMEDIES

18.1 **Enforcement.**

(a) Each provision of this Declaration with respect to the Association or the Common Areas shall be enforceable by Declarant or any Owner by a proceeding for injunctive relief.

(b) Each provision of this Declaration with respect to an Owner or a Unit shall be enforceable by the Association by (i) a proceeding for injunctive relief; (ii) a suit or action to recover damages; and/or (iii) in the discretion of the Association, for so long as any Owner fails

to comply with any such provisions, exclusion of such Owner and such Owner's family members, tenants and guests from the use of any Common Areas and from the participation in any Association affairs. In addition, if an Owner fails to perform or observe any covenant or condition on such Owner's part to be performed or observed under this Declaration or any other Association Document, the Association shall have the following rights and remedies:

(i) The Association may, but is not obligated to, cure such failure to comply at the Owner's sole cost and expense. If the Association cures any such failure to comply, the Owner shall pay to the Association the amount of all costs incurred by the Association in connection therewith within thirty days after the Owner receives a written invoice therefor from the Association.

(ii) The Association may impose the following fines in connection therewith, provided that in no event shall the amounts of such fines exceed the amounts allowable under U.C.A. Sec. 57-8-37, or any other applicable law, and further provided that all Owners shall have all appeal and other rights set forth thereunder:

Original Violation:	\$50.00
First Recurrence of same violation:	\$100.00
Second Recurrence of same violation:	\$250.00
Subsequent Recurrence of same violation:	\$500.00

The foregoing amounts may be adjusted by the Association for inflation. The failure to cure a violation within ten (10) days (or such longer period as the Executive Board shall grant in its sole discretion) after receipt of notice of the imposition of a fine related thereto shall constitute a recurrence of such violation. Any fine which is not paid within thirty (30) days after notice thereof is issued shall bear interest from such date at the rate of 18% per annum, and there shall be added thereto reasonable attorneys' fees (whether or not legal action is commenced) and, if legal action is commenced, the costs of such action. All fines and charges (collectively, "**Charges**") related to a Unit, the occupants thereof or a particular Owner shall be the personal obligation of such Owner, shall constitute Assessments, and shall be secured by lien as described herein in regard to Assessments. The Association shall have all other rights and remedies available to it under this Declaration, at law or in equity.

(c) All rights and remedies of the Association shall be cumulative and the exercise of one right or remedy shall not preclude the exercise of any other right or remedy.

18.2 **Attorneys' Fees.** In the event of any dispute under or with respect to this Declaration or any other Association Document, the prevailing party shall be entitled to recover from the nonprevailing party all of its costs and expenses in connection therewith, including, but not limited to, reasonable attorneys' fees and disbursements.

18.3 **Interest.** If an Owner fails to pay to the Association any Assessment or other amount due to the Association as and when the same becomes due, the Owner shall pay to the Association interest on such unpaid amount at the rate of 18 percent per annum from the due date

of such unpaid amount until the date paid.

ARTICLE XIX TERM AND AMENDMENTS

19.1 **Term.** The covenants, conditions, restrictions, reservations, easements, assessments, charges and liens set forth in this Declaration shall run with and bind the Property until this Declaration is terminated pursuant to **Section 19.2** below.

19.2 **Termination.** Subject to the terms and conditions of **Article XVII** above, the Owners may terminate the Project, by the unanimous vote of all of the votes allocated to all Memberships. If the necessary votes and consents are obtained, the agreement of the Owners to terminate the Project and this Declaration shall be evidenced by a termination agreement or ratification thereof, executed by all of the Owners in accordance with the terms and conditions of Section 57-8-22 of the Act. Upon recordation of the termination agreement with the Recorder for Davis County, Utah, the Project shall be terminated, this Declaration shall have, no further force or effect, and the Association shall be dissolved.

19.3 **Amendments**

(a) Subject to the terms and conditions of **Article XVII** above, the Owners may amend any provision of this Declaration at any time by a vote of at least 67 percent of all Memberships. If the necessary votes and consents are obtained, the Association shall cause to be recorded with the Recorder for Davis County, Utah, an amendment to this Declaration, in accordance with the terms and conditions of Section 57-8-12 of the Act.

(b) Notwithstanding the terms and conditions of **Article XVII** above, Declarant may amend this Declaration as expressly provided herein, without the approval of the Owners.

ARTICLE XX MISCELLANEOUS

20.1 **Interpretation of the Declaration.** Except for judicial construction, the Association, by its Executive Board, shall have the exclusive right to construe and interpret the provisions of this Declaration. In the absence of any adjudication to the contrary by a court-of competent jurisdiction, the Association's construction or interpretation of the provisions hereof shall be final, conclusive and binding as to all persons and property benefited or bound by the covenants and the provisions hereof.

20.2 **Severability.** Any determination by any court of competent jurisdiction that any provision of this Declaration is invalid or unenforceable shall not affect the validity and enforceability of any other provisions hereof.

20.3 **Reserved.**

20.4 **Reference to Declaration and Deeds.** Deeds to and instruments affecting any Unit or any other part of the Project may contain the provisions set forth herein by reference to

this Declaration, but regardless of whether any such reference is made in any deed or instrument, each and all of the covenants, conditions, restrictions, reservations, easements, assessments, charges and liens set forth herein shall be binding upon the grantee-owner or other person claiming through any deed or other instrument and his or her heirs, executors, administrators, successors and assigns.

20.5 **Successors and Assigns of Declarant.** Any reference in this Declaration to Declarant shall include any successors or assignees of Declarant's rights and powers hereunder, provided that Declarant's rights and powers may only be assigned by a written recorded instrument expressly assigning such rights and powers.

20.6 **Captions and Titles.** All captions and titles of headings of Articles and Sections in this Declaration are for the purpose of reference and convenience and are not to be deemed to limit, modify or otherwise affect any of the provisions hereof or to be used in determining the intent or context thereof.

20.7 **Notices.** If notice of any action or proposed action by the Executive Board or any committee or if any meeting is required to be given to any Owner by law, this Declaration or any other Association Document, then, unless otherwise specified herein or in any other Association Document, such notice requirement shall be deemed satisfied if such notice of such action or meeting is published once in any newspaper in general circulation within the Davis County, Utah. This section shall not be construed to require that any notice be given if not otherwise required and shall not prohibit satisfaction of any notice requirement in any other matter.

ARTICLE XXI REGISTERED AGENT

The name and address of the registered agent of the Association is changed to:

Bryan B. Todd, Esq.,
Parsons Behle & Latimer
201 South Main Street, Suite 1800
Post Office Box 45898
Salt Lake City, Utah 84145-0898

ARTICLE XXII ADDITIONAL PROVISIONS

Notwithstanding any other provision of this Declaration to the contrary, all of which such provisions are amended and superseded hereby: (a) all matters to be determined by a vote of the Owners and/or Memberships shall be determined by the vote of at least 67% of all Memberships represented (in person or by proxy) and entitled to vote at any meeting duly called and held; and (b) the quorum required for any vote shall be the number of votes represented in person or by proxy at the meeting in question, provided such meeting is duly called and held.

The Executive Board shall have the authority, in its sole and absolute discretion, to grant

variances from the restrictions contained in the Declaration, provided such variances (a) do not permit actions which are of a nature incompatible with the character of the Project, and (b) are granted in writing.

IN WITNESS WHEREOF, the Declarant has hereunto caused its name to be signed by the signature of its duly authorized agent as of the day and year first written above.

COUNTRY SPRINGS HOMEOWNERS
ASSOCIATION, INC., a Utah nonprofit
corporation

By: *James G. Huffman*
Its: *JRS*

STATE OF UTAH;
COUNTY OF SALT LAKE:

On 18th, 2003 personally appeared before me James G. Huffman
who duly acknowledged signing the foregoing instrument in the capacity indicated.

NOTARY PUBLIC: *Marsha Anne Howard*

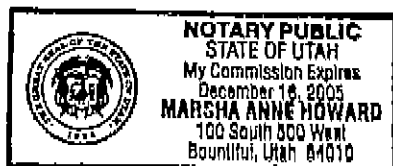


EXHIBIT A
LEGAL DESCRIPTION OF COUNTRY SPRINGS CONDOMINIUMS

PHASE 1

Beginning on the West line of the former Bamberger Railroad right-of-way at a point N 89°39'48" W 11.79 feet along the Quarter Section line and N 00°08'55" W 131.25 feet from the Southeast corner of the Northwest Quarter of Section 18, Township 2 North, Range 1 East, Salt Lake Base and Meridian and running thence S 89°51'05" W 212.57 feet; thence S 00°20'12" W 23.36 feet; thence N 89°39'48" W 186.80 feet; thence N 49°51'25" W 50.81 feet; thence N 89°44'26" W 427.36 feet to the East line of 200 West Street; thence along said East line N 00°07'13" E 545.04 feet to the Southwest corner of Pitford Acres, according to the official plat thereof; thence along said South line S 89°39'48" E 863.15 feet to the West line of said Bamberger Railroad right-of-way, thence S 00°08'55" E 551.85 feet to the point of beginning. 11.0 Acres.

PHASE 2

Beginning at a point on the south line of Pitford Acres, according to the official plat thereof, said point also being N 89°39'48" W 11.79 feet along the Quarter Section Line and N 00°08'55" W 683.10 feet and N 89°39'48" W 74.47 feet from the Center of Section 18, Township 2 North, Range 1 East, Salt Lake Base and Meridian and running thence S 34°33'33" W 119.22 feet to a point on a 65.00 foot radius curve to the left, (radius bears S 16°31'22" W); thence along the arc of said curve 18.36 feet; thence N 89°39'48" W 180.98 feet to a point on a 165.00 foot radius curve too the left, (radius bears S 00°20'12" W); thence along the arc of said curve 110.88 feet; thence S 51°49'57" W 12.96 feet to a point on a 25.00 foot radius curve to the right, (radius bears N 38°10'03" W); thence along the arc of said curve 34.24 feet to a point on a 175.00 foot radius reverse curve to the left, (radius bears S 40°17'43" W); thence along the arc of said curve 53.91 feet, thence N 0°21'44" W 111.79 feet to a point on the South line of said Pitford Acres; thence along the South line of said Pitford Acres S 89°39'48" E 457.96 feet to the Point of Beginning. 1.04 Acres.

ALSO AND TOGETHER WITH

Beginning at a point which is N 89°39'48" W 11.79 feet along the Quarter Section line and N 00°08'55" W 138.72 feet and West 435.40 feet from the center of Section 18, Township 2 North, Range 1 East, Salt Lake Base and Meridian and running thence N 49°51'25" W 3.84 feet; thence N. 89°44'26" W 81.31 feet; thence N 26°32'25" W 110.88 feet to a point on a 175.00 foot radius curve to the left, (radius bears N. 10°18'38" W); thence along the arc of said curve 57.44 feet to a point on a 25.00 foot radius reverse curve to the right, (radius bears S 29°07'05" E); thence along the arc of said curve 34.24 feet; thence S 40°39'19" E 6.81 feet to a point on a 185.00 foot radius curve to the right, (radius bears S

49°20'41" W); thence along the arc of said curve 121.35 feet to the Point of Beginning. 0.24 Acres.

PHASE 3

Beginning at a point on the South line of Pitford Acres, according to the official plat thereof, said point also being North 89°39'48" West 11.79 feet along the Quarter Section Line and North 0°08'55" West 683.10 feet and North 89°39'48" West 532.43 feet from the Center of Section 18, Township 2 North, Range 1 East, Salt Lake Base and Meridian and running thence South 0°21'44" East 111.79 feet to a point on a 175.00 foot radius curve to the left (radius bears South 22°38'45" West); thence along the arc of said curve 177.24 feet through a central angle of 58°01'44" to a point on a 135.00 foot radius curve to the right (radius bears North 35°22'58" West); thence along the arc of said curve 84.18 feet through a central angle of 35°43'11"; thence North 89°39'48" West 69.16 feet to a point on a 25.00 foot radius curve to the right (radius bears North 0°20'10" East); thence along the arc of said curve 15.99 feet through a central angle of 36°39'19" to a point on the East line of 200 West Street; thence along said East line North 0°07'13" east 152.06 feet to the Southwest corner of said Pitford Acres; thence along the South line of said Pitford Acres South 89°39'48" East 330.71 feet to the point of beginning. 0.984 acres.

ALSO AND TOGETHER WITH

Beginning at a point which is North 89°39'48" West 11.79 feet along the Quarter Section line and North 0°08'55" West 280.71 feet and West 540.61 feet from the center of Section 18, Township 2 North, Range 1 East, Salt Lake Base and Meridian and running thence North 24°14'23" West 37.72 feet; thence North 0°20'12" East 72.95 feet; thence North 89°52'47" West 197.30 feet; thence North 4°24'24" West 113.52 feet to a point on a 165.00 foot radius curve to the left (radius bears North 6°14'53" West); thence along the arc of said curve 83.90 feet through a central angle of 29°06'06" to a point on a 145.00 foot radius curve to the right (radius bears South 35°22'58" East); thence along the arc of said curve 483.73 feet through a central angle of 191°08'35" to the point of beginning. 1.145 acres.

ALSO AND TOGETHER WITH

Beginning at a point which is North 89°39'48" West 11.79 feet along the Quarter Section line and North 0°08'55" West 141.56 feet and West 519.84 feet from the center of Section 18, Township 2 North, Range 1 East, Salt Lake Base and Meridian and running thence North 89°44'26" West 130.05 feet; thence North 0°12'22" West 96.00 feet; thence South 89°44'26" East 48.74 feet to a point on a 175.00 foot radius curve to the left (radius bears North 0°15'34" East); thence along the arc of said curve 32.28 feet through a central angle of 10°34'12"; thence South 28°32'25" East 110.88 feet to the point of beginning. 0.235 acres.

PHASE 4

Beginning at a point which is North $89^{\circ}39'48''$ West 11.79 feet along the Quarter Section Line and North $00^{\circ}08'55''$ West 142.15 feet and West 649.68 feet from the center of Section 18, Township 2 North, Range 1 East, Salt Lake Base and Meridian and running thence North $89^{\circ}44'26''$ West 216.00 feet to a point on the East line of 200 West Street; thence along said east line North $00^{\circ}07'13''$ East 90.96 feet to a point on a 25.00 foot radius non-tangent curve to the right (radius bears South $36^{\circ}45'02''$ East); thence along the arc of said curve a distance of 16.15 feet through a central angle of $37^{\circ}00'45''$; thence South $89^{\circ}44'26''$ East 200.58 feet; thence South $00^{\circ}12'22''$ East 96.00 feet to the point of beginning. 0.475 acres.

ALSO AND TOGETHER WITH:

Beginning at a point which is North $89^{\circ}39'48''$ West 11.79 feet along the Quarter Section line and North $00^{\circ}08'55''$ West 268.60 feet and West 747.66 feet from the center of Section 18, Township 2 North, Range 1 East, Salt Lake Base and Meridian and running thence North $89^{\circ}44'26''$ West 102.49 feet to a point on a 25.00 foot radius curve to the right (radius bears North $00^{\circ}15'26''$ East); thence along the arc of said curve a distance of 16.03 feet through a central angle of $36^{\circ}44'02''$ to a point on the East line of 200 West Street; thence along said East line North $00^{\circ}07'13''$ East 222.02 feet to a point on a non-tangent 25.00 foot radius curve to the right (radius bears South $36^{\circ}45'03''$ East); thence along the arc of said curve a distance of 16.18 feet through a central angle of $37^{\circ}05'17''$; thence South $89^{\circ}39'49''$ East 68.86 feet to a point on a 165.00 foot radius curve to the left (radius bears North $00^{\circ}20'11''$ East); thence along the arc of said curve a distance of 18.96 feet through a central angle of $06^{\circ}35'05''$; thence South $04^{\circ}24'24''$ East 113.52 feet; thence South $02^{\circ}32'51''$ East 119.99 feet to the point of beginning. 0.591 acres.

PHASE 5

Beginning at a point which is North $89^{\circ}39'48''$ West 11.79 feet along the Quarter Section Line and North $00^{\circ}08'55''$ West 280.72 feet and West 540.61 feet from the center of Section 18, Township 2 North, Range 1 East, Salt Lake Base and Meridian and running thence North $24^{\circ}14'23''$ West 37.72 feet; thence North $00^{\circ}20'12''$ West 72.95 feet; thence North $89^{\circ}52'47''$ West 197.30 feet; thence South $02^{\circ}32'51''$ East 119.99 feet; thence South $89^{\circ}44'26''$ East 146.83 feet to a point on a 145.00 foot radius curve to the left (radius bears North $00^{\circ}15'34''$ East); thence along the arc of said curve 62.00 feet through a central angle of $24^{\circ}29'57''$ to the point of beginning. 0.540 acres.

PHASE 6

Beginning at a point which is North $89^{\circ}39'48''$ West 288.59 feet along the Quarter Section Line from the Southeast corner of the Northwest quarter of Section 18, Township 2 North, Range 1 East, Salt Lake Base and Meridian and running thence South $75^{\circ}34'36''$ East 123.08 feet to a point on a 25 foot radius curve to the right, (radius bears South $80^{\circ}14'30''$ West); thence along the arc of said curve 6.82 feet; thence South $05^{\circ}52'57''$ West 62.01 feet to a point on a 25 foot radius curve to the right, (radius bears North $84^{\circ}07'03''$ West); thence along the arc of said curve 36.46 feet to a point on a 90.00 foot radius reverse curve to the left, (radius bears South $00^{\circ}33'33''$ East); thence along the arc of said curve 3.98 feet to a point on a 585.00 foot reverse curve to the right, (radius bears North $03^{\circ}05'33''$ West); thence along the arc of said curve 140.03 feet to a point on a 50 foot radius curve to the right, (radius bears North $10^{\circ}37'21''$ East); thence along the arc of said curve 60.86 feet; thence North $09^{\circ}38'05''$ West 150.70 feet to a point on a 585.00 foot curve to the right, (radius bears North $80^{\circ}21'55''$ East); thence along the arc of said curve 26.18 feet; thence North $07^{\circ}04'14''$ West 5.52 feet to the South line of Country Springs Condominiums Phase I, according to the official plat thereof, thence along said South line the following (2) courses, South $49^{\circ}51'25''$ East 2.14 feet and South $89^{\circ}39'48''$ East 123.69 feet to the point of beginning. 0.816 acres.

PHASE 7

Beginning at a point that lies North $89^{\circ}39'48''$ West 11.79 feet along the quarter section line and from the center of Section 18, Township 2 North, Range 1 East, Salt Lake Base and Meridian and running thence South $00^{\circ}08'55''$ East 159.06 feet; thence West 113.63 feet to a point on a 90.00 foot radius non tangent curve to the left, (radius bears South $55^{\circ}34'19''$ West); thence along the arc of said curve 21.98 feet through a central angle of $13^{\circ}59'43''$ to a point of reverse curvature with a 25.00 foot radius curve to the right, (radius bears North $41^{\circ}34'36''$ East); thence along the arc of said curve 23.70 feet through a central angle of $54^{\circ}18'21''$; thence North $05^{\circ}52'57''$ East 82.89 feet to a point on a 25.00 foot radius curve to the right, (radius bears South $84^{\circ}07'03''$ East); thence along the arc of said curve 18.91 feet through a central angle of $43^{\circ}20'42''$ to a point of reverse curvature with a 30.00 foot radius curve to the left, (radius bears North $40^{\circ}46'22''$ West); thence along the arc of said curve 139.65 feet through a central angle of $266^{\circ}41'23''$ to a point of reverse curvature with a 25.00 foot radius curve to the right, (radius bears South $52^{\circ}32'15''$ West); thence along the arc of said curve 12.09 feet through a central angle of $27^{\circ}42'26''$; thence North $75^{\circ}34'36''$ West 123.08 feet; thence North $00^{\circ}20'13''$ East 106.08 feet to a point on the South line of Country Springs Condominiums Phase I and its convertible lands, according to the official plat thereof; thence along said South line the following (3) courses South $89^{\circ}39'48''$ East 63.11 feet and North $00^{\circ}20'16''$ East 23.36 feet and North $89^{\circ}51'05''$ East 212.57 feet; thence leaving said South line South $00^{\circ}08'55''$ East 131.25 feet to the Point of Beginning. 1.263 acres.

Also and together with the following described tract of land:

Beginning at a point that lies North 89°39'48" West 333.49 feet along the section line and South 144.99 feet from the center of Section 18, Township 2 North, Range 1 East, Salt Lake Base and Meridian and running thence South 09°09'10" West 135.52 feet; thence North 89°44'26" West 86.14 feet; thence North 00°07'13" East 68.99 feet; thence North 06°10'54" East 104.99 feet; thence North 66°34'14" East 24.03 feet to a point on a 80.00 foot radius non tangent curve to the left (radius bears North 66°34'14" East); thence along the arc of said curve 78.12 feet through a central angle of 55°56'53" to a point of compound curvature with a 615.00 foot radius curve to the left, (radius bears North 10°37'21" East); thence along the arc of said curve 15.78 feet through a central angle of 01°28'11" to a point of beginning. 0.341 acres.

PHASE 8

Beginning at a point that lies North 89°39'48" West 560.12 feet along the quarter section line from the Center of Section 18, Township 2 North, Range 1 East, Salt Lake Base and Meridian and running thence North 45°24'23" West 153.16 feet; thence North 00°07'13" East 31.43 feet; thence South 89°44'26" East 218.63 feet; thence South 49°51'25" East 4.50 feet; thence South 07°04'14" East 37.93 feet to a point on a 615.00 foot radius curve to the left, (radius bears North 82°55'46" East); thence along the arc of said curve 16.99 feet through a central angle of 01°34'58" to a point of reverse curvature with a 25.00 foot radius curve to the right, (radius bears South 81°20'48" West); thence along the arc of said curve 38.84 feet through a central angle of 89°01'07"; thence South 80°21'55" West 40.86 feet to a point on a 80.00 foot radius curve to the left, (radius bears South 09°38'05" East); thence along the arc of said curve 77.62 feet through a central angle of 55°35'39" to the point of beginning. 0.475 acres.

Also and together with the following described tract of land:

Beginning at a point that lies North 89°39'48" West 333.49 feet along the quarter section line and South 144.99 feet from the Center of Section 18, Township 2 North, Range 1 East, Salt Lake Base and Meridian and running to a point on a 615.00 foot radius non tangent curve to the left, (radius bears North 09°09'10" East); thence along the arc of said curve 131.44 feet through a central angle of 12°14'43" to a point of reverse curvature with a 60.00 foot radius curve to the right, (radius bears South 03°05'33" East); thence along the arc of said curve 97.33 feet through a central angle of 92°56'38" thence South 00°08'55" East 52.90 feet to a point on a 25.00 foot radius curve to the right, (radius bears South 89°51'05" West); thence along the arc of said curve 16.27 feet through a central angle of 37°16'41"; thence North 89°44'26" West 210.87 feet; thence North 09°09'10" East 135.52 feet to the point of beginning. 0.587 acres.

Also and together with the following described tract of land:

Beginning at a point that lies North $89^{\circ}39'48''$ West 11.79 feet along the quarter section line and South $00^{\circ}08'55''$ East 159.06 feet from the Center of Section 18, Township 2 North, Range 1 East, Salt Lake Base and Meridian and running thence South $00^{\circ}08'55''$ East 119.39 feet; thence North $89^{\circ}44'26''$ West 93.11 feet to a point on a 25.00 foot radius non tangent curve to the right, (radius bears North $53^{\circ}23'23''$ East); thence along the arc of said curve 15.91 feet through a central angle of $36^{\circ}27'42''$; thence North $00^{\circ}08'55''$ West 53.47 feet to a point on a 90.00 foot radius curve to the left, (radius bears South $89^{\circ}51'05''$ West); thence along the arc of said curve 53.85 feet through a central angle of $34^{\circ}16'46''$; thence East 113.63 feet to the point of beginning. 0.273 acres.

PHASE 9

Beginning at a point that lies North $89^{\circ}39'48''$ West 407.69 feet along the quarter section line and South 95.90 feet from the center of Section 18, Township 2 North, Range 1 East, Salt Lake Base and Meridian and running thence South $66^{\circ}34'14''$ West 24.03 feet; thence South $06^{\circ}10'54''$ West 104.99 feet; thence South $00^{\circ}07'13''$ West 68.99 feet to a point on the North line of Pages Lane; thence North $89^{\circ}44'26''$ West 91.84 feet along the North line to a point on a 25.00 foot radius non tangent curve to the right, (radius bears North $53^{\circ}23'23''$ East); thence along the arc of said curve 16.03 feet through a central angle of $36^{\circ}43'50''$; thence North $00^{\circ}07'13''$ East 230.93 feet to a point in a 50.00 foot radius curve to the right, (radius bears South $89^{\circ}52'47''$ East); thence along the arc of said curve 70.03 feet through a central angle of $80^{\circ}14'42''$; thence North $80^{\circ}21'55''$ East 40.77 feet to a point on a 25.00 radius curve to the right, (radius bears South $09^{\circ}38'05''$ East); thence along the arc of said curve 39.27 feet through a central angle of $90^{\circ}00'00''$; thence South $09^{\circ}38'05''$ East 81.66 feet to a point on a 80.00 foot radius curve to the left, (radius bears North $80^{\circ}21'55''$ East); thence along the arc of said curve 19.26 feet through a central angle of $13^{\circ}47'41''$ to the point of beginning. 0.722 acres.

PHASE 10

Beginning at a point on a 80.00 foot radius curve to the left, (radius bears South $65^{\circ}13'44''$ East), said point lies North $89^{\circ}39'48''$ West 560.12 feet along the quarter section line from the Center of Section 18, Township 2 North, Range 1 East, Salt Lake Base and Meridian and running thence Southerly along the arc of said curve 34.42 feet through a central angle of $24^{\circ}39'03''$; thence South $00^{\circ}07'13''$ West 230.74 feet to a point on a 25.00 foot radius tangent curve to the right, (radius bears North $89^{\circ}52'47''$ West); thence along the arc of said curve 16.15 feet through a central angle of $37^{\circ}00'33''$ to a point on the North Line of Pages Lane; thence along said North Line North $89^{\circ}44'26''$ West 96.96 feet; thence North $00^{\circ}07'13''$ East 386.22 feet; thence South $45^{\circ}24'23''$ East 153.16 feet to the point of beginning. 0.789 acres.

EXHIBIT B
BYLAWS
OF
COUNTRY SPRINGS HOMEOWNERS ASSOCIATION, INC.

The following are the Bylaws for Country Springs Homeowners Association, Inc., a Utah Non-Profit Corporation (the "**Association**"):

ARTICLE I
LOCATION

The initial principal office of the Association shall be located at 179 Country Springs Drive, Bountiful, UT 84010, but meetings of Members and Directors may be held at such places within Davis County, State of Utah as may be designated by the Board (as defined below).

ARTICLE II
DEFINITIONS

All terms used but not defined herein shall have the meanings given them under that certain Condominium Declaration for Country Springs dated May 2, 1996 and recorded June 18, 1996 as Entry No. 1256467 in Book 2013 at Page 1075, et seq., Davis County, Utah Official Records (the "**Declaration**") as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth herein at length. The term "**Member**" shall mean and refer to those persons entitled to Membership as provided in the Declaration.

ARTICLE III
MEETINGS OF MEMBERS

Section 3.1 Annual Meetings. Unless otherwise determined by the Association and subject to notice thereof as provided in Section 3.3 below, annual meetings of the Members shall be held on the first Monday of February of each year commencing in the year 2003, and each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter, at the hour of 7:00 p.m. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first Monday following which is not a legal holiday.

Section 3.2 Special Meetings. Special meetings of the Members may be called by or at the request of the President of the Association or by the Board, or upon written request of the Members owning at least 40% of the Units.

Section 3.3 Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 15 days before such meeting to each Member entitled to vote thereafter addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting,

the purpose of the meeting.

Section 3.4 Quorum. The quorum required for any action by the Members hereunder shall be the number of votes represented in person or by proxy at the meeting in question, provided such meeting is duly called and held.

Section 3.5 Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Unit.

Section 3.6 Voting. Voting shall be subject to the provisions set forth in the Declaration, as amended.

**ARTICLE IV
BOARD, SELECTION AND TERM OF OFFICE**

Section 4.1 Number. Subject to the provision of the Declaration, the affairs of the Association shall be managed by a Board of Directors (the "Board") comprised of seven individuals. The Board shall constitute the Management Committee. In addition to individual Unit Owners, spouses of Unit Owners, Mortgagees (or designees of Mortgagees), partners of partnerships, directors or officers of corporations and managers of limited liability companies owning a Unit, shall be eligible for membership on the Board.

Section 4.2 Term of Office. At each annual meeting the Members shall elect the number of Directors whose terms are then to expire, for a term of three years.

Section 4.3 Removal. Any Director may be removed from the Board, with or without cause, by a 67% vote of the Members of the Association who vote on such matter after notice as required herein. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining Directors and shall serve for the unexpired term of his predecessor.

Section 4.4 Compensation. No Director shall receive compensation for any service he may render to the Association in such capacity. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 4.5 Action Taken Without a Meeting. The Directors may take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all Directors. Any action so approved shall have the same effect as though taken at a meeting of the Board.

**ARTICLE V
NOMINATION AND ELECTION OF TRUSTEES**

Section 5.1 Nomination. Nomination for election to the Board shall be made by the Board. Nominations may also be made from the floor at the annual meeting. The Board shall make as many nominations as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made among Members only.

Section 5.2 Election. Election to the Board shall be by secret written ballot.

ARTICLE VI MEETINGS OF THE BOARD

Section 6.1 Regular Meetings. Regular meetings of the Board shall be held at least every other month, as determined by the Board.

Section 6.2 Special Meetings. Special meetings of the Board shall be held when called by the President of the Association, or by any two Directors after not less than three days notice to each Director.

Section 6.3 Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made at a duly called meeting by a majority of the Directors shall be regarded as the act of the Board.

ARTICLE VII POWERS AND DUTIES OF THE BOARD

The Board shall have all powers and duties of the Management Committee as set forth in the Declaration.

ARTICLE VIII OFFICERS AND THEIR DUTIES

Section 8.1 Enumeration of Officers. The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 8.2 Election of Officers. The election of officers shall take place at the first meeting of the Board following each annual meeting of the Members.

Section 8.3 Term and Vacancies. The officers of the Association shall be elected annually by the Board and each shall hold office for one year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 8.4 Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 8.5 Resignation and Removal. Any officer may be removed as an officer with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 8.6 Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 8.4 of this Article.

Section 8.7 Duties. The duties of the officers are as follows:

President: The President shall preside at all meetings of the Board shall see that orders and resolutions of the Committee are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

Vice-President: The Vice-President shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary: The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer: The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board; shall co-sign all checks and promissory notes of the association; keep proper books of account; if the Board deems appropriate, cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented after Board approval to the Membership at its regular annual meeting, and deliver a copy of each to the Members.

**ARTICLE IX
COMMITTEES**

The Board may, if it elects, appoint such committees as deemed appropriate in carrying out its purposes.

**ARTICLE X
AMENDMENTS; ORDER OF PRECEDENCE**

These Bylaws may be amended, at a regular or special meeting of the Members, by a 67% vote of the Members attending such meeting, in person or by proxy. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws or the Articles, the Declaration shall control.

**ARTICLE XI
FISCAL YEAR**

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.