



W2067574

AMENDED
and
RESTATED
DECLARATION
of
CONDOMINIUM
for
KNOLLWOOD
CONDOMINIUM

October 2004

E# 2067574 PG1 UF40
DOUG CROFTS, WEBER COUNTY RECORDER
10-NOV-04 PM 1:47.00 FEE \$37 DEP KNOL
OD.CONDO.ASSOC
REC FOR:

TABLE OF CONTENTS

1 NAME OF THE CONDOMINIUM PROPERTY..... 2
2 DEFINITIONS..... 2
3 DESCRIPTION OF PROPERTY..... 5
4 SUBMISSION TO CONDOMINIUM OWNERSHIP 7
5 COVENANTS TO RUN WITH THE LAND 7
6 STATEMENT OF PURPOSES, USE AND RESTRICTIONS 7
7 OWNERSHIP AND USE 10
8 AGENT FOR SERVICE OF PROCESS 11
9 PERCENTAGE OF OWNERSHIP AND VOTING RIGHTS 11
10 EASEMENTS 11
11 MANAGEMENT 12
12 CHANGE IN OWNERSHIP 13
13 ASSESSMENTS..... 13
14 DESTRUCTION OR DAMAGE..... 14
15 TAXES 14
16 INSURANCE 15
17 PAYMENT OF EXPENSES..... 16
18 ASSESSMENTS SUBORDINATE 19
19 MAINTENANCE OF UNITS..... 20
20 CONSTRUCTION OF NEW UNITS BY SITE OWNERS 20
21 RIGHT OF ENTRY..... 21
22 ADMINISTRATIVE RULES AND REGULATIONS 21
23 OBLIGATION TO COMPLY HEREWITH..... 22
24 INDEMNIFICATION OF BOARD OF DIRECTORS 22
25 EXPANSION OF THE CONDOMINIUM PROJECT 22
26 TRANSFER OR LEASE OF UNITS 22
27 MISCELLANEOUS PROVISIONS 23
28 AMENDMENT 24
29 EVICTION..... 24
30 ATTORNEY’S FEES INCURRED AS THE RESULT OF ENFORCING RULES..... 24
31 COMPENSATION FOR BOARD OF DIRECTORS SERVICES 25
32 GENERAL PROVISIONS 25

Amended and Restated Declaration of Condominium Knollwood Condominium

THIS AMENDED AND RESTATED Declaration OF Condominium of the Knollwood Condominium (hereinafter called the "Declaration"), is made by the KNOLLWOOD Condominium HOMEOWNERS Association, Ogden, Utah, (hereinafter called the "Association"), pursuant to the Provisions of the Utah Condominium Ownership Act (hereinafter referred to as the "Act").

RECITALS

WHEREAS, members of the Association are the owners of certain condominium Units and Common area located in Weber County, Utah, and more particularly described in Exhibit "A", of this Declaration which is attached hereto and made a part hereof; and

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

WHEREAS, Knollwood Condominium was created by the Declaration of Covenants, Conditions, Restrictions and Bylaws for Knollwood Condominium dated November 25, 1975, and recorded the 23rd day of February, 1976, in the Recorders office of Weber County, Utah, and there have been various amendments thereto, some of which have expanded and added phases to Knollwood (all of which documents recorded prior to this Declaration are collectively referred to herein as prior CC&Rs); and

WHEREAS, Knollwood Condominium Unit Owners desire to amend the prior CC&Rs to update, modify, correct and add provisions to the prior CC&Rs; and

WHEREAS, the Unit Owners of Knollwood Condominium desire to (1) preserve and enhance the quality of life at Knollwood Condominium, (2) prevent disregard for the welfare and consideration of others, (3) prevent nuisances and inconvenience to the residents of Knollwood Condominium, (4) clarify the responsibility of the Board of Directors and the Unit Owners relative to maintenance of Units and Common Area, and (5) enforce the rules of the Condominium Association more consistently, fairly and economically, and (6) to generally update, amend and restate the Knollwood CC&Rs;

NOW THEREFORE, the Unit Owners of Knollwood Condominium hereby amend and restate all prior CC&Rs for Knollwood Condominium recorded against the real Property located in Weber County, Utah, known as Knollwood Condominium and more fully described on Exhibit "A" attached hereto. This Amended and Restated Declaration is intended to replace all prior CC&Rs; if there is any conflict between this Declaration and any of the prior CC&Rs, this Amended and Restated Declaration shall control.

This Declaration shall be enforceable, equitable servitudes shall run with the land, and shall become effective upon recording. The Knollwood Condominium Declaration and prior CC&Rs are hereby amended and restated as follows:

AMENDMENTS

1

NAME OF THE CONDOMINIUM PROPERTY

The name by which the Condominium Property shall be known is "KNOLLWOOD Condominiums"

2

DEFINITIONS

The terms used herein shall have the meaning stated in the Utah Condominium Ownership Act and as follows unless the context clearly indicates a different meaning therefor:

- 2.1 "Act" shall mean and refer to the Utah Condominium Ownership Act, Utah Code Annotated Section 57-8-1, et. seq. (1953 as Amended). "Condominium Property" shall mean and refer to all of the land or real estate, improvements and appurtenances submitted to the Act and this Declaration.
- 2.2 "Assessment" means any charge imposed by the Association or Board of Directors, including Common expenses on or against a Unit owned pursuant to the provisions of the Declaration, bylaws or this chapter.
- 2.3 "Association of Unit owners" or "Knollwood Homeowners Association" or "Association" means and refers to the Unit owners acting as a group in accordance with the Act, the Declaration and Bylaws.
- 2.4 "Board of Directors" or "Board" shall mean and refer to a Board composed of persons duly elected thereto by the Association of Unit owners, as provided by this Declaration. Said Board is charged with and shall have the responsibility and authority to make and to enforce all of the reasonable rules and regulations covering the operation and maintenance of the Property.
- 2.5 "Building" means a Building, containing Units, and comprising part of the Condominium Property.
- 2.6 "Common areas and facilities" shall mean and refer to:
- a. The above described land;
 - b. That portion of the Condominium project not specifically included in the respective Units as herein defined;
 - c. All foundations, columns, girders, beams, supports, main walls, roof, exterior walkways, parking areas, service streets, stalls, and social center, recreational areas and facilities, yards, gardens, fences, all installations of power, light and other utilities to the outlets, and in general all other apparatus, installations and other parts of the Property necessary or convenient to the existence, maintenance and safety of the Common area, or normally in Common use;
 - d. Those Common areas and facilities specifically set forth and designated as such in the Map;

E# 2067574 PG4 OF 40

- e. All Common areas and facilities as defined in the Act, whether or not expressly listed herein except that portion of the Condominium complex included in the respective Units.
- 2.7 "Common expenses" means and refers to:
 - a. all sums lawfully assessed against the Unit owners;
 - b. all expenses of administration, maintenance, repair or replacement of the Common areas and facilities;
 - c. expenses agreed upon as Common expenses by the Association of Unit owners; and
 - d. all items, things and sums described in the Act which are lawfully assessed against the Unit owners in accordance with the provisions of the Act, this Declaration, the Bylaws, such rules and regulations pertaining to the Condominium complex as the Association of Unit owners or the Board of Directors may from time to time adopt, and such determinations and agreements lawfully made and/or entered into by the Board of Directors.
 - 2.8 "Common profits" unless otherwise provided in the Declaration or lawful amendments to the Declaration, means the balance of all income, rents, profits, and revenues from Common areas and facilities remaining after the deduction of the Common expenses.
 - 2.9 "Condominium" means and refers to a single Unit in the multi-unit Condominium Property with an undivided interest in Common areas and facilities of the Property.
 - 2.10 "Declarant" shall mean the persons or entities, or their successors, who created Knollwood pursuant to the provisions of the Act.
 - 2.11 "Declaration" shall mean this Amended and Restated Declaration of Condominium of the Knollwood Condominium.
 - 2.12 "Limited Common areas and facilities" shall mean and refer to those Common areas and facilities designated in the Declaration and the Map as reserved for use of a certain Unit or Units to the exclusion of the other Units including but not limited to balconies and/or patios, private yards, garages and parking spaces so designated in the Map.
 - 2.13 "Majority" or "Majority of the Unit owners" shall mean the owners of more than fifty per cent in the aggregate in interest of the undivided ownership of the Common areas and facilities.
 - 2.14 "Manager" shall mean and refer to the person, persons or corporation selected by the Board of Directors to manage the affairs of the Condominium project.
 - 2.15 "Map" shall mean and refer to the Record of Survey Map of KNOLLWOOD Condominiums, recorded by the Declarant in accordance with Utah Code Annotated Section 57-8-13 (1953 As Amended) when Knollwood was first created.
 - 2.16 "Property" shall mean and include the land, the Buildings, all improvements and structures thereon, all easements, rights and appurtenances belonging thereto, and all articles of

personal Property intended for use in connection therewith.

- 2.17 "Site(s)" shall mean an Ownership interest in an unbuilt Unit or undeveloped land at Knollwood Condominium wherein the declaration of supplemental declarations declared a Unit(s) would be built. Site shall include the words "parcel, tract or undeveloped land," unless the context clearly indicates a different meaning. There are 27 Sites existing within Knollwood Condominiums and each Site is designated as a Unit with a Unit number on the Record of Survey Map recorded in the Weber County Recorders Office and is further identified as privately owned property on the Record of Survey Map. A deed has been recorded at the Weber County Recorders Office in connection with each Site (the deeds refer to these Sites as "Units"). Sites are maintained at the expense and under the direction of the management committee. Site expenses are paid by the management committee and the costs associated therewith are assessed against the Unit and Site Owners.
- 2.18 "Site Owner(s)" shall mean any person, persons or entity that has received a deed to a Unit at Knollwood, which deed has been recorded at the Weber County Recorders Office, but the Unit referred to in the deed has not yet been built. For example, the 27 Sites at Knollwood that have not had a physical building constructed, housing a built Unit, all have deeds recorded at the Weber County Recorders Office in connection with these Sites. These deeds represent Sites and when a Unit is constructed on the Site, the Site will no longer exist but will be a Unit. A Site Owner is responsible to pay his share of the expenses associated with a Site and with the condominium complex in the amounts or in the percentage stated in this amended declaration.
- 2.19 "Site Expenses" shall mean those expenses, costs or fees in any way incurred in connection with the administration, management, regulation, safety, supervision, maintenance, preservation, protection, upkeep, or repair of a Site. Site expenses may include those expenses associated with all aspects of the condominium project that do not include a physical Unit or the maintenance thereof. Site Expenses shall include all items, amounts and sums assessed against the Site Owners by the management committee.
- 2.20 "Unit" shall mean that part of the Condominium Property owned in fee simple by a Unit owner for independent use and shall include the elements of the Condominium Property which are not owned in Common with the owners of other Units as shown on the Map.
- 2.21 "Unit number" means the number designating the Unit in the Declaration or in the record of survey Map.
- 2.22 "Unit Owner" shall mean the person or persons owning a Unit in fee simple and an undivided interest in the fee simple estate of the Common areas and facilities in the percentage specified and established in the Declaration.
- 2.23 Those definitions contained in the Act, to the extent they are applicable to and not inconsistent herewith, shall be and are hereby incorporated herein by reference and shall have the same effect as is expressly set forth herein and made a part hereof.

3 DESCRIPTION OF PROPERTY

- 3.1 **Description of land.** That tract or parcel of land in Weber County, Utah, and more particularly described in Exhibits "A" of this Declaration.
- 3.2 **General description of Buildings.** The existing buildings constituting a part of this Condominium project are 23 in number and are identified in relationship to each other in the Map. The number of Units in each Building is also shown on the Map. The Buildings are constructed of brick veneer and wood siding veneer. Each Unit is designed for use as a single family residence. All other details involving the respective descriptions and locations of the Buildings and a statement of the number of stories, number of Units and the principal materials of which each Building is or is to be constructed and other like details are set forth in the Map, which was filed of record when Knollwood was created and incorporated herein by reference. Building and unit designations are listed in Exhibit B.
- 3.3 **Description of Units:** Each Unit shall consist of:
 - a. The space enclosed within the undecorated interior surface of its perimeter walls, floors and ceilings (being in appropriate cases the inner surfaces parallel to the roof plane, of the roof rafters, and the projections thereof) projected, where appropriate, to form a complete enclosure of space;
 - b. Any finishing material applied or affixed to the interior surfaces of the perimeter walls, floors, and ceilings, including, without limitation, paint, lacquer, varnish, wallpaper, tile and paneling;
 - c. Non-supporting interior walls;
 - d. Windows and doors in the perimeter walls, whether located within the bounds of a Unit or not, but not including any space occupied thereby to the extent located outside the bounds of the Unit.
 - e. Units forming a part of the Condominium Property are more particularly described in the Map, which shows graphically all the particulars of the Buildings.
- 3.4 Each Unit has immediate access to the Common areas and facilities or Limited Common areas and facilities contiguous to the Building in which such Unit is located.
- 3.5 Every contract for the sale of a Unit and every other instrument affecting title to a Unit may, describe that Unit by its identifying number or symbol as designated in the Map or Maps with the appropriate reference to the Map(s) and the Declaration, as each shall appear on the records of the County Recorder of Weber County, Utah, in: substantially the following fashion:

Unit, _____ in Building _____, as shown on the Record of Survey Map for KNOLLWOOD Condominium, appearing in the records of the County Recorder of Weber County, State of Utah, in Book _____, page _____, of Plats, and as defined and described in the Declaration of Condominium for Knollwood Condominium appearing in such records, in Book _____, page _____, of Records.

Such description will be construed to describe the Unit, together with the appurtenant undivided interest in the Common areas and facilities and to incorporate all the rights incident to ownership of a Unit and all the limitations on such ownership as described in

this Declaration.

- 3.6 **Description of Common areas and facilities:** The Common areas and facilities shall consist of all parts of the Condominium Property except the Units. Without limiting the generality of the foregoing, the Common areas and facilities shall include the following, whether located within the bounds of a Unit or not:
- a. All structural parts of the Building including, without limitation, foundations, columns, joists, beams, supports, supporting walls, floors, ceilings, and roofs;
 - b. General yard areas, parking areas and driveways;
 - c. The clubhouse, swimming pool and tennis courts; and related facilities, if constructed;
 - d. Any utility pipe or line or system servicing more than a single Unit, and all ducts, wires, conduits, and other accessories used therewith, but excluding any pipe or line or accessory connecting a single Unit to a main or central pipe or line or system or to a pipe or line or system servicing more than a single Unit;
 - e. All other parts of the Condominium Property necessary or convenient to its existence, maintenance and safety, or normally in Common use, or which have been designated as Common areas and facilities in the drawings;
 - f. The Limited Common areas and facilities hereinafter described; and
 - g. All repairs and replacements of any of the foregoing.
- 3.7 **Description of Limited Common areas and facilities:** Each Unit owner is hereby granted an irrevocable license to use and occupy, according to the Rules and Regulations, the Limited Common areas and facilities reserved exclusively for the use of his Unit, which shall consist of a balcony and/or patio, private yard, and garage.
- 3.8 **Description of Sites:** Each Site shall consist of:
1. The area identified on the Map whereon a Unit is to be constructed.
 2. All utility pipes or lines or systems, and fixtures or appliances connected or installed for the benefit thereof, servicing a single Site or connecting a single Site to a main or central utility, whether located within the bounds of the Site or not.
 3. A Site Owner is responsible for the installation, construction and payment of all costs associated with the sewer installation, water connections (including secondary water hookups) sprinkling systems, connection and hook-up fees, landscaping, retaining walls, plumbing, electrical, road, pavement, asphalt, cement, building, and any other item normally associated with the construction of building of a Unit.
 4. A Site Owner has the right to build a physical Unit in Knollwood and to receive the benefit of the management services of the Knollwood Condominium Association Board of Directors relating to the administration, regulation, safety, supervision, maintenance, preservation, protection, upkeep, and repair of a Site.

E# 2067574 PGS OF 40

4 SUBMISSION TO CONDOMINIUM OWNERSHIP

- 4.1 Previous Declarant's have submitted the above-described Property, tract of land, Buildings, and other improvements constructed thereon or hereafter to be constructed, together with all appurtenances thereto, to the provisions of the Act as a Condominium project. The Knollwood Condominium Homeowners Association reaffirms by this Declaration that all the land, Property, Units, Common area, Buildings, and Limited Common area that was, is, or has been submitted to the provisions of the Act, shall by this Restated and Amended Declaration continue to be subject to the provisions of the Act and shall be construed in accordance therewith.

5 COVENANTS TO RUN WITH THE LAND

- 5.1 This Declaration containing covenants, conditions, and restrictions relating to the project shall be enforceable equitable servitudes and shall run with the land and this Declaration and servitudes shall be binding upon all owners or subsequent owners of all or any part of the Condominium complex, and upon their grantees, mortgagees, successors, heirs, executors, administrators, devisees and assigns.

6 STATEMENT OF PURPOSES, USE AND RESTRICTIONS

- 6.1 **Purposes:** The purposes of the Condominium Property are to provide housing and recreational facilities for the Unit owners and their respective families, tenants, guests and servants in accordance with the provisions of the Utah Condominium Ownership Act.
- 6.2 **Restrictions on use:** The Units and Common areas and facilities shall be used and occupied as follows:
- a. No part of the Condominium Property shall be used for other than housing and the related Common purposes for which the Condominium Property was designed. Each Unit shall be used and occupied as a residence for a single family and for no other purpose. For purposes of this restriction, single family means any number of individuals, related by blood, marriage, or adoption, and domestic servants for such family, or a group of not more than three persons who are not so related, living together as a single nonprofit housekeeping Unit doing their own cooking.
 - b. There shall be no obstruction of the Common areas and facilities nor shall anything be stored in the Common areas and facilities without the prior written consent of the Board of Directors except as is otherwise provided herein.
 - c. Nothing shall be done or kept in any Unit or in the Common areas and facilities which will increase the rates of insurance on the Buildings or contents thereof beyond that customarily applicable for residential use, without the prior written consent of the Board of Directors. No Unit owner shall permit anything to be done or kept in his Unit or in the Common areas and facilities which will result in the cancellation of insurance on any Building, or the contents thereof, or which would be in violation of any law or regulation of any governmental authority. No waste materials shall be stored in the Common areas and facilities.

- d. No Unit owner shall cause or permit anything (including, without limitation, a sign, awning, canopy, shutter, storm door, screen door, radio or television antenna, or television dish) to hang, displayed or otherwise affixed to or placed on the exterior walls or roof or any party thereof, or the outside of windows or doors, or placed in any Common or Limited Common area without the prior written consent of the Board of Directors.
- e. No animals or birds of any kind shall be raised, bred or kept in any Unit or in the Common areas and facilities, except that dogs, cats and other small traditional household pets may be kept in Units, subject to the rules adopted by the Board of Directors, provided that they are not kept, bred, or maintained for any commercial purpose; and provided further that any such pet causing or creating a nuisance or disturbance shall be permanently removed from the Condominium Property upon ten (10) days' written notice from the Board of Directors.
- f. No noxious or offensive activity shall be carried on in any Unit or in the Common areas and facilities, nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the other Unit owners or occupants.
- g. Nothing shall be done in any Unit or in, on or to the Common areas and facilities which will impair the structural integrity of the Buildings or any part thereof or which would structurally change the Buildings or any part thereof except as is otherwise provided herein.
- h. No clothes, sheets, blankets, laundry of any kind or other articles shall be hung out or exposed on any part of the Common areas and facilities, except in a patio or private yard in such manner as not to be visible except from the Unit for which such patio or private yard is reserved. The Common areas and facilities shall be kept free and clear of all rubbish, debris and other unsightly materials.
- i. Except in a patio, private yard or Unit entrance in such manner as not to be generally visible except from the Unit for which such patio or private yard is reserved, or (subject to the rules) on driveways or in other areas specifically designed and intended for such purposes, there shall be no playing, lounging or parking or placing of baby carriages, playpens, bicycles, wagons, toys, vehicles, benches or chairs in or on any part of the Common areas and facilities.
- j. No industry, business, trade, occupation, or profession of any kind, whether for commercial, religious, educational, charitable or other purposes shall be conducted, maintained, or permitted on any part of the Condominium Property except such as may be permitted by the Board of Directors and subject to the rules, nor shall any "For Sale" or "For Rent" signs or other window displays or advertising be maintained or permitted by any Unit owner on any part of the Condominium Property or in any Unit therein, except that:
 - (i) the Association of Unit owners or the Board of Directors or its agent or representative may place "For Sale" or "For Rent" signs on any Unit or on the

Condominium Property for the purpose of facilitating the disposal of Units by any Unit owner, mortgagee or the Association of Unit owners: and

(ii) a Unit owner with respect to a Unit, and the Association of Unit owners or Board of Directors or its agents or representative with respect to the Common areas and facilities, may perform or cause to be performed any maintenance, repair or remodeling work, or other work, required or permitted by this Declaration.

- k. The Unit Owners at Knollwood desire to preserve and enhance the quality of life at Knollwood and have purchased their condominium Units at Knollwood for the purpose of using their Units as an owner-occupied single family residence. The Unit Owners believe the Condominium living concept was developed to create a real Property interest wherein individuals could own their Property and enjoy the benefits that accompany ownership of real Property, including the stability associated with real Property ownership, both individually and as a neighborhood, as well as the security that comes to a community by having residents who are owners and are committed to the long-term welfare and good of the community. The Unit Owners also desire to live in a Condominium community that is orderly, peaceful, well maintained and desirable, and that will allow for and protect the comfortable enjoyment of all residents of Knollwood. To accomplish these objectives, the following provision is adopted restricting the number of Units being rented at Knollwood:

(i) **Leasing of Units:** Only three Unit Owners at Knollwood shall be permitted to rent or lease their Unit at the same time. No Unit may be rented for more than a total of twelve (12) months in any twenty-four month period. All leases, subleases or assignments of leases and all renewals of such agreements shall be first submitted to the Board of Directors for approval or disapproval with this requirement. If three of the Units at Knollwood are leased or are occupied by a non-Unit Owners, and a Unit Owner desires to lease his or her Unit or to have his or her Unit occupied by a non-Unit Owner, he or she shall notify the Board of Directors in writing of the desire to lease his Unit. The Board of Directors shall maintain a list of those Unit Owners who have notified it of a desire to lease their Unit and shall grant permission to Unit Owners to lease their Unit in the same order the Board of Directors receives written notice from the Unit Owners, but such permission shall not be granted until fewer than three of the Units at Knollwood are leased or occupied by a non-Unit Owner. The restrictions herein shall not apply if a Unit Owner moves from his or her Unit for a Limited period of time (a) due to military, humanitarian, religious or charitable activity or service, and (b) leases the Unit with the express intent to return to occupy the Unit when the military, humanitarian, religious or charitable service terminates. Nor shall the restrictions herein apply if a parent or child leases his Unit to family members (parent, child or siblings).

- l. Unit owners may not rent or lease their Units for periods of less than one hundred eighty (180) days or allow weekly or overnight rentals. Units may not be included in any time share agreement or be subjected to any time share exchange program.

- m. Owners may only rent to a single family. Renting or leasing less than 100% of a Unit as a dwelling is prohibited.
- n. Renters or leaseholders may not sublet or sublease the rented or leased Unit.

7

OWNERSHIP AND USE

- 7.1 **Ownership of a Unit:** Except with respect to any of the Common areas and facilities located within the bounds of a Unit, each Unit owner shall be entitled to the exclusive ownership and possession of his Unit and to the ownership of an equal undivided interest in the Common areas and facilities of the total interest.
- 7.2 **Prohibition against subdivision of Unit:** No Unit owner shall, by deed, plat or otherwise, subdivide or in any manner cause his Unit to be separated into tracts or parcels smaller than the whole Unit as shown on the Map.
- 7.3 **Ownership of Common areas and facilities:** The Common areas and facilities shall be owned by the Unit owners as tenants in Common, and ownership thereof shall remain undivided. No action for partition of any part of the Common areas and facilities shall be maintained, except as specifically provided in the Utah Condominium Ownership Act, nor may any Unit owner otherwise waive or release any rights in the Common areas and facilities.
- 7.4 **Use of Common areas and facilities:** Except with respect to Limited Common areas, each Unit owner may use the Common areas and facilities in accordance with the purposes for which they are intended, but subject to this Declaration, and the Bylaws, which right of use shall be appurtenant to and run with his Unit.
- 7.5 **Interest in Common areas and facilities:** Each Unit owner has an equal undivided interest in the Common areas and facilities.
- 7.6 **Use of Limited Common Areas and Facilities:** A Unit owner's use and occupancy of the Limited Common areas and facilities reserved for his Unit shall be subject to and in accordance with this Declaration and the Bylaws. Each Unit owner shall maintain the patio and/or balcony, private yard and garage, the use of which is reserved for his Unit. The Association of Unit owners shall maintain the remainder of the Limited Common areas and facilities. However, each Unit owner shall have the option of maintaining their respective patio or private yard areas or paying the Association of Unit owners to maintain said patio and private yard areas. Amount to be charged for said maintenance shall be set by the Board of Directors and said amount is to be charged over and above amounts to be assessed for all other maintenance.

8 AGENT FOR SERVICE OF PROCESS

8.1 The name and address of the person in Weber County, Utah, appointed as the agent to receive service of process in matters pertaining to the Property provided under the Act is the Board of Directors current presiding president (M. Keith Opprecht, 4973 Partridge Way, Ogden, UT 84403. The Association's permanent mailing address is: P.O. Box 150151, Ogden, UT, 84415). The agent or address may be changed by the Board of Directors filing appropriate instruments.

9 PERCENTAGE OF OWNERSHIP AND VOTING RIGHTS

9.1 Equal and undivided ownership in the Common areas and facilities of the Condominium shall be for all purposes, including voting. The Common expenses and Assessments shall be allocated among the Unit owners in accordance therewith.

10 EASEMENTS

10.1 The Board of Directors may hereafter grant easements for utility purposes for the benefit of the Condominium Property, including the right to install, lay, maintain, repair and replace water mains and pipes, sewer lines, gas mains, telephone wires and equipment, and electrical conduits and wires over, under, along, on and through any portion of the Common areas and facilities.

10.2 An easement in favor of each Unit owner is hereby established, to permit such owner to attach draperies, pictures, mirrors and like decorations and furnishings to the interior surfaces of the perimeter and interior walls and ceilings.

10.3 Each Unit shall be subject to such easement as may be necessary for the installation, maintenance, repair or replacement of any Common areas and facilities located within the bounds of such Unit.

10.4 In the event that, by reason of the construction, reconstruction, settlement or shifting of any Building, any part of the Common areas and facilities encroaches or shall hereafter encroach upon any part of the Common areas and facilities or any other Unit, valid easements for such encroachment and the maintenance of such encroachment are hereby established and shall exist for the benefit of such Unit and the Common areas and facilities as the case may be, so long as all or any part of the Building containing any such Unit shall remain standing; provided however, that in no event shall a valid easement for any encroachment be created in favor of any Unit owner or in favor of the Unit owners as owners of the Common areas and facilities if such encroachment occurred due to the willful conduct of such Unit Owner or owners.

11

MANAGEMENT

- 11.1 The business, Property and affairs of Knollwood Condominium, and all subsequent phases shall be managed by a Board of Directors consisting of at least five (5) persons who are Unit owners in the project to be elected as provided in the Bylaws (attached as Exhibit "C"). Such Board of Directors shall have all the powers, duties and responsibilities as are now or may hereafter be provided by the Act, this Declaration, the Bylaws and/or any amendments subsequently filed thereto; provided, however, that the Board of Directors may engage the services of a professional Manager and/or a financial Manager and fix and pay a reasonable fee or compensation therefor.
- 11.2 The Board of Directors shall be responsible for the control, operation and management of the complex in accordance with the provisions of the Act, this Declaration and such administration, management and operational rules, and regulations as it may adopt from time to time as herein provided, and all agreements and determinations lawfully made and entered into by the Board (including the right to set and levy fines and collect fines).
- 11.3 The Board of Directors shall have the authority to provide such facilities, in addition to those for which provision has already been made as it may deem to be in the best interest of the Unit owners and to effect the necessary amendment of documents and Maps in connection therewith.
- 11.4 The Board of Directors shall be known by such name or designation as it, or the Unit owners, at any meeting may assign.

12

CHANGE IN OWNERSHIP

- 12.1 Whenever there is a change of ownership of a residential Unit and its appurtenant rights, for whatever reason, the Board of Directors or the Manager may rely upon the ownership information contained on the records of the Weber County Recorders Office as evidence of the actual owner(s) of a Unit, unless proof of ownership is otherwise provided to the Board.

13

ASSESSMENTS

- 13.1 Every Unit owner shall pay his proportionate share of the Common expenses. Payment thereof shall be in such amounts and at such times as the Board of Directors determines in accordance with the Act, the Declaration or the Bylaws. There shall be a lien for nonpayment of Common expenses as provided by Utah Code Annotated Section 57-8-20 (1953 As Amended). When and if three (3) complete or partial monthly payments are past due and not paid to the Knollwood Condominium Association a lien will be filed against the Unit Owner.
- 13.2 In assessing Unit owners or requiring them to pay for the Building improvements and other improvements of the Common areas and facilities following the execution of the Declaration, it is agreed that no Assessment for a single improvement in the nature of the capital expenditure exceeding the sum of \$200.00/Unit in cost shall be made without the same having been first voted on and approved by owners of two-thirds (2/3) or more of the undivided interests in the Common areas and facilities. The foregoing sentence shall not apply in connection with the replacement of reconstruction occasioned by fire or other casualty.
- 13.3 Every Site Owner shall pay a proportional share of the expenses associated with the Ownership of a Site, which share shall be equal to TBD%^a of the average amount paid by the Unit Owners as common expenses. This TBD% share will be determined by reviewing the history of expenses at Knollwood Condominiums related to the administration, management, regulation, safety, supervision, maintenance, preservation, protection, upkeep or repair of a Site, and will be determined to be an amount reasonably related to the actual expenses incurred by the association as it relates to the Sites. No Site Owner may exempt himself from liability for his contribution towards expenses by waiver of the use or enjoyment of his Site or by the abandonment of his Site.

^a To Be Determined

14

DESTRUCTION OR DAMAGE

- 14.1 In the event of damage to or destruction of part or all of the improvements in the Condominium Complex, the following procedures shall apply:
- a. If proceeds of the insurance maintained by the Board of Directors are alone sufficient to repair or reconstruct the damaged or destroyed improvement, such repair or reconstruction shall be completed.
 - b. If less than 75% of the Complex's improvements are destroyed or substantially damaged, and if proceeds of the insurance maintained by the Board are not alone sufficient to accomplish repair or reconstruction, restoration shall be carried out and all the Unit Owners shall be assessed for any deficiency on the basis of their respective percentages of undivided interest in the Common Areas and Facilities.
 - c. If 75% or more of the Complex's improvements are destroyed or substantially damaged, if proceeds of the insurance maintained by the Board of Directors are not alone sufficient to accomplish restoration, and if the Unit Owners within 100 days after the destruction or damage by a vote of at least 75% elect to repair or reconstruct the affected improvements, restoration shall be accomplished in the manner directed under subparagraph (b) above.
 - d. If 75% or more of the Complex's improvements are destroyed or substantially damaged, if proceeds of the insurance maintained by the Board are insufficient to accomplish restoration, and if the Unit Owners do not, within 100 days after the destruction or damage and by vote of at least 75% elect to repair or reconstruct the affected improvements, the Board of Directors shall promptly record with the Weber County Recorder a notice setting forth such facts. Upon the recording of such notice the provisions of subsections (1) through (4) of Section 57-8-31, Utah Code Annotated (1953), shall apply and shall govern the rights of all parties having an interest in the Complex or any of the Units.
- 14.2 Any reconstruction or repair which is required to be carried out by this paragraph 14 shall be accomplished at the instance and direction of the Board of Directors. Any determination which is required to be made by this paragraph 14 regarding the extent of damage to or destruction of Complex improvements shall be made as follows: The Board of Directors shall select three appraisers; each appraiser shall independently arrive at a figure representing the percentage of Complex improvements which have been destroyed or substantially damaged. The percentage which governs the application of the provisions of this Paragraph 14 shall be the average of the two closest appraisal figures.

15

TAXES

- 15.1 It is understood that under Utah Code Annotate Section 57-8-27 (1953 As Amended) each Unit, and its percentage of undivided interest in the Common areas and facilities in the project are subject to separate Assessments and taxation by each assessing Unit and the special district for all types of taxes authorized by law, and that as a result thereof, no taxes

E# 2067574 PG 16 OF 40

will be assessed or payable against the project as such. Each Unit owner will, accordingly, pay and discharge any and all taxes which may be assessed against him and his percentage of undivided interest in the Common areas and facilities.

16

INSURANCE

16.1 The Board of Directors shall secure and maintain the following insurance coverage on the Condominium project:

- a. **Fire and extended coverage.** A multi-peril type policy covering the entire Condominium project (both Buildings and Common areas) shall be maintained as a minimum, such policy shall provide fire and extended coverage insurance on a replacement cost basis in an amount not less than that necessary to comply with any co-insurance percentage specified in the policy, but not less than eighty percent (80%) of the insurable value (based upon replacement cost).
- b. **Liability Coverage.** A policy or policies insuring the Board of Directors, the Manager and their agents and employees, the Unit owners and their lessees, tenants, or occupants against any liability to the public or to the Unit owners, incident to the ownership and/or use of the Condominium project, and including the personal liability exposure of the Unit owners. Limits of liability under such insurance shall not be less than \$500,000 for bodily injury and shall not be less than \$100,000 for Property damage for each occurrence. Such limits and coverage shall be reviewed at least annually by the Board of Directors and changed at its discretion. Said policy or policies shall be issued on a comprehensive liability basis and shall provide cross-liability endorsement wherein the rights of named insured under the policy or policies shall not be prejudiced as in his, her or their action against another named insured.
- c. **Workmen's Compensation** to the extent necessary to comply with any applicable laws.
- d. **Fidelity Coverage:** The Board of Directors shall secure and maintain fidelity coverage against dishonest acts on the part of members of the Board of Directors, Managers, trustees, employees or volunteers responsible for handling funds belonging to or administered by the Association of Unit owners designating the said Association as the named insured's written in an amount sufficient to provide protection which is in no event less than one and one-half times the insured's estimated annual operating expenses and reserves. In connection with such coverage, an appropriate endorsement to the policy to cover any persons who serve without compensation shall be added if the policy would not otherwise cover volunteers.
- e. Insurance for such other risks of a similar or dissimilar nature, as are or shall hereafter customarily be covered with respect to other Condominium complexes similar in construction, design and use.
- f. Exclusive authority to adjust losses under policies hereafter in force in the project shall be vested in the Board of Directors or its authorized representative.
- g. Each Unit and Site Owner may obtain additional insurance at his own expense; provided however, that no Unit owner shall be entitled to exercise his right to

maintain insurance coverage in such a way as to decrease the amount which the Board of Directors, on behalf of all the Unit owners, may realize under any insurance policy which the Board of Directors may have in force on the project at any particular time.

17

PAYMENT OF EXPENSES

- 17.1 Each Unit owner shall pay the Knollwood Management Association his allocated portion of the cash requirement deemed necessary by the Board of Directors to manage and operate the Condominium complex, including the recreational facilities thereof, upon the terms, at the times, and in the manner herein provided. There shall be no deduction on account of any set-off or claim which the owner may have against the Board of Directors. If the Unit owner fails to pay any installment within ten days of the time when the same becomes due, the owner shall pay late charges as enacted by the Board of Directors and provided in the Rules and Regulations.
- 17.2 The cash requirements for each year are hereby defined and shall be deemed to be an amount as determined by the Board of Directors to pay all estimated expenses growing out of or in connection with the maintenance and operation of such land, Buildings and improvements, recreational areas and facilities, which sum may include, among other things, the cost of management special Assessments, fire, casualty, public liability insurance premiums, fidelity coverage, Common lighting, landscaping and the care of grounds, repairs and renovations to Common areas and facilities, social center, recreational facilities, snow removal, wages, water and charges, legal and accounting fees, management fees, creation of a reasonable contingency or other necessary reserve or surplus fund, general expenses and additional liabilities incurred by the Board of Directors by reason of this Declaration.
- 17.3 The Board of Directors may increase or diminish the amount assessed each year. It may include in the cash requirements for any year and also any sums which the Board of Directors may deem necessary or prudent to provide a reserve against liabilities or expenses.
- 17.4 That portion payable by the Unit owner in and for each year or for a portion of a year shall be required by the Board of Directors, and at such times as shall be provided by the Board of Directors.
- 17.5 The Board of Directors shall have discretionary powers to prescribe the manner of maintaining and operating the Condominium project and to determine the cash requirements of the Association. Every such reasonable determination by the Board of Directors within the bounds of the Act, and this Declaration, shall be final and conclusive as to the owners, and any expenditures made by the Board of Directors, within the bounds of the Act and this Declaration shall as against the owner be deemed necessary and properly made for such purpose.

- 17.6 Collecting Assessments from Renters:** If the owner of a Unit who is leasing the Unit fails to pay any Assessment for a period of more than 60 days after it is due and payable, the Board of Directors may demand the tenant to pay to the Association all future lease payments due the owner, commencing with the next monthly or other periodic payment, until the amount due to the Association is paid.
- a. The Board must give the Unit owner written notice by regular first class mail, mailed at least 3 days prior to the end of the month to the address of the Unit Owner as listed on the Weber County Recorders records, unless the Unit Owner has provided written notice of another address to the Board, of its intent to demand full payment from the tenant. This notice shall:
 - (i) provide notice to the tenant that full payment of remaining lease payments will commence with the next monthly or other periodic payment unless the delinquent Assessment is received prior to last day of the month;
 - (ii) state the amount of the Assessment due, including any interest or late payment fee;
 - (iii) state that any costs of collection, not to exceed \$150, and other Assessments that become due may be added to the total amount due; and
 - (iv) provide the requirements and rights described in Subsections (b).
 - b. If the Unit owner fails to pay the amount of the Assessment due by the date specified in the notice, the Board shall deliver written notice to the tenant by posting a notice on the door of the tenant's Unit or delivering notice personally to the tenant, that demands future payments due to the owner be paid to the Association. A copy of the notice must be mailed to the Unit owner. The notice provided to the tenant must state:
 - (i) that due to the owner's failure to pay the Assessment within the time period allowed, the owner has been notified of the Board's intent to collect all lease payments due to the Association;
 - (ii) that until notification by the Association that the Assessment due, including any interest or late payment fee, has been paid, all future lease payments due to the owner are to be paid to the Association; and
 - (iii) payment by the tenant to the Association will not constitute a default under the terms of the lease agreement. If payment is in compliance with this notice, suit or other action may not be initiated by the owner against the tenant for failure to pay.
 - c. All funds paid to the Association pursuant to the notice shall be deposited in a separate account and disbursed to the Association until the Assessment due, together with any cost of administration which may not exceed \$25, is paid in full. Any remaining balance must be paid to the owner within five business days of payment in full to the Association.
 - d. Within five business days of payment in full of the Assessment, including any interest or late payment fee, the Board must notify the tenant in writing that future lease payments are no longer due to the Association. A copy of this notification must be mailed to the Unit owner.
 - e. As used in this, "lease" or "leasing" means regular, exclusive occupancy of a Unit by any person or persons, other than the Unit owner, for which the Unit owner receives

any consideration or benefit, including a fee, service, gratuity, or emolument.

- 17.7 Each monthly Assessment and each special Assessment shall be separate and distinct and personal debts and obligations of the owner against whom the same are assessed at the time the Assessment is made, shall be collectible as such. Suit to record a money judgment for unpaid Common expenses shall be maintainable without foreclosing or waiving the lien securing the same. The amount of any Assessment, whether regular or special, assessed to the owner plus interest at the maximum legal rate, and costs, including reasonable attorney's fees, shall become a lien upon such Unit upon recordation of a notice of Assessment as provided by the Act. The said lien for non-payment of Common expenses shall have priority over all other liens and encumbrances, recorded or unrecorded, except only:
- a. Tax and special Assessment liens on the Unit in favor of any Assessment Unit, and special district, and
 - b. Encumbrances on the owner's interest in the Unit (and Common areas and facilities) recorded prior to the date such notice is recorded which by law would be a lien prior to subsequently recorded encumbrances.
- 17.8 A certificate executed and acknowledged by a Majority of the Board of Directors stating the indebtedness secure by the lien upon any Condominium created hereunder, shall be conclusive upon the Board of Directors and the owners as to the amount of such indebtedness on the date of the certificate, in favor of all persons who rely thereon in good faith, and such certificate shall be furnished to any owner or encumbrancee or prospective encumbrancee of a Condominium upon request at a reasonable fee not to exceed twenty dollars (\$20.00). Unless the request for a certificate of indebtedness shall be complied within ten (10) days, all unpaid Common expenses which become due prior to the date of making of such request shall be subordinate to the lien held by the person making the request. Any encumbrancee holding a lien on a Condominium may pay any unpaid Common expenses payable with respect to such Condominium for the amounts paid of the same rank as the lien of his encumbrance.
- 17.9 **Foreclosure:** A lien for non-payment of Assessment may be enforced by sale of the Unit by the Board of Directors or by a bank or trust company or title insurance company authorized by the Board of Directors, such sale to be conducted in accordance with the provisions of the law applicable to the exercise of powers of sale or foreclosure in deeds of trust or mortgages or in any manner permitted by law. In any foreclosure or sale, the Unit owner shall be required to pay the costs and expenses of such proceedings including reasonable attorney's fees. In the event of foreclosure, the Unit owner shall be required to pay a reasonable rental for the Condominium and the plaintiff in the foreclosure action shall be entitled to the appointment of a receiver to collect the rental without regard to the value of the mortgage security. The Board of Directors or Manager shall have the power to bid on the Condominium at foreclosure or other sale and to hold, lease, mortgage and convey the Condominium. If the Board elects to foreclose the lien in the same manner as foreclosures in deeds of trust, then the Owner by accepting a deed to the Unit hereby irrevocably appoints the attorney of the Association, provided he is a member of the Utah State Bar, as Trustee, and hereby confers upon said Trustee the power of sale set forth with particularity in Utah Code Annotated, Section 57-1-23 (1953), as amended. In addition,

E# 2067574 PG20 UF40

Owner hereby transfers in trust to said Trustee all of his right, title, and interest in and to the real Property for the purpose of securing his performance of the obligations set forth herein.

- 17.10 Termination of Utilities: If a Unit Owner fails or refuses to pay any Assessment when due, the Board may, after giving notice and an opportunity to be heard as provided herein, terminate an owner's right to receive utility services paid as a Common expense; and terminate an owner's right of access and use of recreational facilities.
- a. Before terminating utility services or right of access and use of recreational facilities the Board shall give written notice to the Unit owner by regular first class mail, mailed to the address of the Unit Owner as listed on the Weber County Records records, unless the Unit Owner has provided written notice of another address to the Board.
 - b. The notice shall state:
 - (i) utility services or right of access and use of recreational facilities will be terminated if payment of the Assessment is not received within 48 hours;
 - (ii) the amount of the Assessment due, including any interest or late payment fee; and
 - (iii) the right to request a hearing
 - c. A Unit owner may request an informal hearing to dispute the Assessment by submitting a written request to the Board within 14 days from the date the notice is received.
 - (i) The hearing shall be conducted with a quorum of the Board present, and the Unit Owner may present any evidence demonstrating why the amount of condominium fees the Board claims is delinquent is not correct. No other issues or claims of set-off shall be considered.
 - (ii) If a hearing is requested, utility services or right of access and use or recreational facilities may not be terminated until after the hearing has been conducted and a final decision has been entered.
 - d. Upon payment of the Assessment due, including any interest or late payment fee, the Board shall immediately take action to reinstate the terminated utility services to the Unit.

18

ASSESSMENTS SUBORDINATE

- 18.1 The lien or claim against a Condominium Unit for unpaid Assessments or charges levied by the Board of Directors or by the Association of Unit Owners pursuant to the Declaration or the Utah Condominium Ownership Act shall be subordinate to the mortgage affecting such Unit, and the mortgagee thereunder which comes into possession of the Unit shall take the same free of such lien or claim for unpaid Assessments or charges, but only to the extent of Assessments or charges which accrue prior to foreclosure of the mortgage, exercise of a power of sale available thereunder, or deed or assignment in lieu of foreclosure (except for claims for a pro rata share of such prior Assessments or charges resulting from a pro rata reallocation thereof to all Units including the Unit in which the mortgagee is interested) .No Assessment, charge, lien, or claim which is described in the preceding sentence as being subordinate to a mortgage or as not to burden a mortgagee which comes into possession shall be collected or enforced by either the Board of

Directors or the Association of Unit Owners from or against a mortgagee, a successor in title to a mortgagee, or the Condominium Unit affected or previously affected by the mortgage concerned.

19

MAINTENANCE OF UNITS

- 19.1 Each Unit owner at his own expense shall keep the interior of his Unit and its equipment and appurtenances and the appurtenant patio, balconies, private yards and garage in good order, condition and repair and in a clean and sanitary condition, and shall do all redecorating and painting which may at any time be necessary to maintain the good appearance of his Unit.
- 19.2 Except to the extent that the Board of Directors is protected by insurance against such injury, the Unit owner shall repair all injury or damages to the Unit, or Condominium complex caused by the act, negligence or carelessness of the Unit owner or that of any lessee or sub-lessee or any member of the Unit owner's family or the family of any lessee or sub-lessee or any agent, employee or guest of the owner of his lessee or sub-lessee, and all such repairs, redecorating and painting shall be of a quality and kind equal to the original work.
- 19.3 In addition to decorating and keeping the interior of the Unit in good repair, the Unit owner shall be responsible for the maintenance or replacement of any plumbing, fixtures, refrigerators, air conditioning and heating equipment, dishwashers, disposals, ranges, etc., that may be in or connected with the Unit. A more complete designation of those areas which Unit Owners are to maintain and repair is defined in Section 6.2 'Building Maintenance' of the Administration Rules and Regulations of Knollwood Condominium.
- 19.4 The Board of Directors shall be responsible for maintenance and upkeep of all parking areas, excluding garages.
- 19.5 Without the written permission of the Board of Directors first had and obtained, the Unit owner shall not make or permit to be made any structural alteration, improvement or addition in or to the Unit, patios, balconies, private yards, and garages, or in or to the exterior of the Building, and shall not paint or decorate any portion of the exterior of the Building in which his Unit is located.

20

CONSTRUCTION OF NEW UNITS BY SITE OWNERS

Prior to such time as a Site Owner begins to perform any work of any nature relating to the building of a physical condominium Unit on a Site, the Site Owner shall comply with the following requirements:

20.1 **Submission of Plans:** The Site Owner shall submit to the Board of Directors for approval all plans, buildings, permits, drawings, surveys, papers and writings relating to the proposed construction.

20.2 **Bond:** The Site Owner shall obtain an acceptable corporate surety bond, approved by the Board of Directors in an amount and on terms as determined by the Board of Directors sufficient to 1) cover damage to any of the common areas at Knollwood during

E# 2067574 PG22 OF40

construction; 2) guaranteeing satisfactory completion by the contractor of all improvements made in connection with the construction; 3) adequately indemnifying Knollwood against loss, including court costs and attorney's fees. In the event of a Site Owner's or contractor's failure or refusal to complete the improvements on construction; 4) cover any defects or items in need of repair, completion or replacement relating to the newly constructed Unit and the common area or amenities built, installed, repaired, connected, joined or attached as part of the Unit for a period of two years after completion of construction, including but not limited to coverage of the following: painting, cement work, roofing, leaks, plumbing, foundation, columns, girders, beams, supports, main walls, exterior walkways, parking areas, yards, gardens, fences, all installations of power, light and other utilities, drainage, sewer and water (including secondary water) connections, and all other items which are part of the common area.

20.3 The Site Owner shall comply with all of the requirements of this Amended Declaration and the maps relating to uniformity, workmanship, size, style, architecture, and quality of construction. All the Board of Directors, at the expense of the Site Owner, shall inspect the Unit for quality and uniformity consistent with the other buildings at Knollwood, using Phases I, II and III as the standard as it relates to the types and quality of materials used. The new Units shall be built with the same percentage of brick used on the exterior of the buildings as was used in Phases I, II and III construction.

20.4 A Site shall be deemed a Unit, for all purposes, including payment of common expenses and voting, 60 days after the Board of Directors approves the plans identified in paragraph 20.1 above. The Site Owner shall be responsible for the planting, installation and improvement of the common area immediately surrounding the Unit built by the Site Owner as to bring the new Unit into a state of landscaping consistent with the other Units existing at Knollwood, including but not limited to flowers, shrubs, lawn, proper drainage and sprinkler system. All landscaping must be completed within 180 days after approval of the plans by the management committee or the bond shall be forfeited.

21

RIGHT OF ENTRY

- 21.1 The Board of Directors and its duly authorized agents shall have the right to enter any and all of the Units in case of an emergency originating in or threatening such Unit or any other part of the complex, whether or not the Unit owner or occupant thereof is present at the time. The Board and its duly authorized agents shall also have the right to enter into any and all of said Units at all reasonable times as required for the purpose of making necessary repairs upon the Common areas and facilities of the project for the purpose of performing emergency installations, alterations, or repairs to the mechanical or electrical devices or installations, located therein or thereon: provided, however, such emergency installations, alterations, or repairs are necessary to prevent damage or threatened damage to other Units in the complex: and provided further, that the Unit owner affected by such entry shall first be notified thereof if available and if time permits.

22

ADMINISTRATIVE RULES AND REGULATIONS

- 22.1 The Board of Directors shall have the power to adopt and establish by resolution such building management and operational rules as it may deem necessary for the maintenance,

operation, management and control of the condominium complex, the board may, from time to time by resolution, alter, amend and repeal such rules. When a copy of any amendment or alteration or provision for repeal of any rule or rules has been furnished to the Unit owners such amendment, alteration and provision shall be taken to be a part of such rules. Unit owners shall at all times obey such rules and see that they are faithfully observed by those persons over whom they have or may exercise control and supervision, it being understood that such rules shall apply and be binding upon all Unit owners and/or occupants of the Condominium.

23**OBLIGATION TO COMPLY HEREWITH**

- 23.1 Each Unit owner, tenant, or occupant of a Unit shall comply with the provisions of the Act, this Declaration, the Bylaws, and the Rules and Regulations, all agreements and determinations lawfully made and/or entered into by the Board of Directors or the Unit owners, when acting in accordance with their authority, and any failure to comply with any of the provisions thereof, shall be grounds for an action by the Board of Directors to recover any loss or damage resulting there from or injunctive relief.

24**INDEMNIFICATION OF BOARD OF DIRECTORS**

- 24.1 Each member of the Board of Directors shall be indemnified and held harmless by the Unit owners against all costs, expenses and, liabilities whatsoever, including, without limitation, attorney's fees, reasonably incurred by him in connection with any proceeding to which he may become involved by reason of his being or having been a member of said Board. Provided however, a member of the Board of Directors shall not be indemnified under this paragraph 23 for any acts which constitute gross negligence or willful misconduct.

25**EXPANSION OF THE CONDOMINIUM PROJECT**

- 25.1 Knollwood Condominium includes a total of five phases. Two of the phases, phases IV and V, never had Units constructed on them. The interest of the Unit Owners in a portion of Phase V Common area was abandoned and conveyed to a third party by consent of 100% of the Unit Owners. The Phase IV Common area and the retained Phase V areas continue to be part of the Knollwood Condominium Complex and are subject to all the provisions of this Declaration and prior Declarations.

26**TRANSFER OR LEASE OF UNITS**

- 26.1 Any Unit owner who sells, leases, or rents his Unit shall submit to the Board of Directors pertinent information concerning the transferee or new occupant within one week of any transfer of title or possession.

27

MISCELLANEOUS PROVISIONS

Notwithstanding anything to the contrary herein contained, it is hereby declared, certified and agreed as follows:

- 27.1 **Notice of Default.** From and after the time a mortgagee makes written request to the Board of Directors or the Association of Unit Owners therefore, the Board of said Association shall notify such mortgagee in writing in the event that the owner of the Condominium Unit encumbered by the mortgage held by such mortgagee neglects for a period of thirty (30) days or more to cure any failure on his part to perform any of his obligations under the Declaration.
- 27.2 **Abandonment, Termination and Subdivision.** Unless at least seventy five percent (75%) of the unit owners (based upon one vote for each unit owner) of the individual Units have given their prior written approval, neither the Board of Directors nor the Association of Unit Owners shall be entitled, by act, omission, or otherwise:
- a. To abandon or terminate the Condominium complex or to abandon or terminate the arrangement which was established by the Declaration and the project's Record of Survey Map;
 - b. To partition or subdivide any Condominium Unit;
 - c. To abandon, partition, subdivide, encumber, sell, or transfer all or any part of the Common areas (except for the granting of easements for utilities and similar purposes consistent with the intended use of the Common areas); or
 - d. To use hazard insurance proceeds resulting from damage to any part of the Condominium complex (whether to Units or to the Common areas) for purposes other than the repair, replacement, or reconstruction of such improvements, except as provided by the Utah Condominium Ownership Act in case of substantial damage to the Units and/or Common areas.
- 27.3 **Alteration of Undivided Interests.** Unless at least two thirds (2/3) of the unit owners (based upon one vote for each unit) have given their prior written approval, neither the Board of Directors nor the Association of Unit Owners shall change the pro rata interests or obligations of any Condominium Unit which apply for (1) purposes of levying Assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards and for (2) determining the pro rata share of ownership of each Unit in the Common areas.
- 27.4 **Examination of Records.** Any unit owner shall have the right, at its request and expense and upon reasonable notice, to examine the books and records of the Board of Directors, of the Association of Unit Owners, or of the Condominium complex.
- 27.5 **Reserve Fund.** To the extent the same is reasonably possible and practical and is not inconsistent with the significant interests of the Association of Unit Owners, the Board of Directors and said Association shall establish an adequate reserve to cover the cost of reasonably predictable and necessary major repairs and replacements of the Common areas and shall cause such reserve to be funded by regular monthly or other periodic Assessments against the Unit owners rather than by special Assessments.

27.6 **Term of Management Agreement.** Any agreement for professional management of the Condominium project which may hereafter be entered into by the Board of Directors or the Association of Unit Owners shall call for a term not exceeding one (1) year and shall provide that for cause such management agreement may be terminated by the Board of Directors or by the Association of Unit Owners upon not in excess of Thirty (30) days written notice.

27.7 **Notice of Substantial Loss.** From and after the time a unit owner makes written request to the Board of Directors or the Association of Unit Owners therefore, the Board or said Association shall notify such unit owner in writing in the event that there occurs any loss to or taking of the Common areas involving an amount in excess of, or reasonably estimated to be in excess of, Ten Thousand Dollars (\$10,000.00). Said notice shall be given within ten (10) days after the Board of Directors or said Association learns of such loss or taking.

28 **AMENDMENT**

28.1 The Unit owners shall have the right to amend this Declaration and/or the Map upon the approval and consent of Unit owners representing not less than two-thirds (2/3) of the undivided interests in the Common areas and facilities. Any amendment shall be accomplished by the recordation of an instrument wherein the Board of Directors certifies that the Unit owners representing at least two-thirds (2/3) of the undivided interests in the Common areas and facilities have approved and consented to any such amendment.

29 **EVICITION**

29.1 In the event of the failure of a tenant to abide by the terms of the Condominium documents (and because the Declaration, bylaws, and rules and regulations constitute an essential part of the terms in a lease between a Unit owner and a tenant), and if the Unit owner is either unable or unwilling to require the tenant to abide by the terms of said documents, the Board of Directors may institute eviction proceedings after providing notice to the Unit owner and to the Unit owner's tenant of a violation and the failure to cure, remedy or cease the conduct within 5 days after notice has been given. No additional notices shall be required for repeat violations after the first notice has been given.

30 **ATTORNEY'S FEES INCURRED AS THE RESULT OF ENFORCING RULES**

30.1 In any legal action brought by the Board of Directors against any Unit owner, tenant, lessee or lessor as a result of a violation of any provision of the Declaration, bylaws, or the rules and regulations of Knollwood Condominiums, or if the Board of Directors retains legal counsel or incurs attorney's fees associated with or as a result of retaining legal counsel as a result of any such violation, then the Board of Directors shall collect any and all attorney's fees from the Unit owner, tenant, lessee, or lessor, jointly and severally, whether or not they seek judicial process, and shall be entitled to an award of attorney's fees in any action or judicial proceeding. A Unit owner shall be jointly liable for attorney's fees, costs, or damages, in any action brought against a tenant renting or leasing a Unit from a Unit owner as a result of any violation by the Unit owner's tenant. Attorney's fees

and costs assessed shall constitute a lien against the Unit owner's Unit in the same manner as Common expenses constitute liens against Units and may be recorded as such. At least three members of the Board of Directors shall give approval before there is any action taken under this paragraph unless such authority is delegated to the president of the homeowners Association.

31 COMPENSATION FOR BOARD OF DIRECTORS SERVICES

31.1 Board members shall not be compensated for their services but shall be reimbursed for all expenses reasonably incurred in connection with Board business and approved by the Board. Board members who do bookkeeping services for the Association (paying bills, receiving monthly payments from Condominium members, preparing tax returns, etc.) shall only be paid pursuant to a written contract entered into with the Board of Directors that specifically describes the services to be performed and the amount of compensation to be received. Board of Directors members may be paid for other services provided to the Association in connection with time they spend in behalf of Association business, but only to the extent such payments are authorized in writing in advance by a Majority of the Board of Directors.

32 GENERAL PROVISIONS

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

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

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

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

CERTIFICATION

It is hereby certified that Condominium Unit owners holding more than sixty-seven percent (67%) of the undivided ownership interest in the Common areas and facilities have voted to approve these Amended and Restated Declaration of Condominium of the Knollwood Condominium Amended Bylaws.

IN WITNESS WHEREOF, this 1st day of November, 2004

By: *M. Keith Opprecht*
President

STATE OF UTAH)
 :ss.
COUNTY OF WEBER)

On this 9th day of November, 2004, personally appeared before me M. Keith Opprecht, who, being by me duly sworn, did say that he is President of the Knollwood Condominium Board of Directors and that the within and foregoing instrument was signed on behalf of said Board of Directors and he duly acknowledged to me he executed the same.

Jen Fillion-Hood
Notary Public

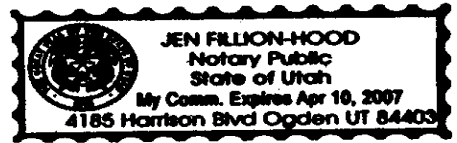


EXHIBIT A

A part of the North Half of the Northwest Quarter of Section 14, Township 5 North, Range 1 West, Salt Lake Base and Meridian, described as follows: BEGINNING at a point which is South 0° 10' 39" East 1286 feet and South 80° 31' 05" East 228.00 feet and South 0° 10' 39" East 33.70 feet from the Northwest corner of said Section 14, also said point being South 0° 10' 39" East 33.70 feet from the Southeast corner of Lot 18 KNOLLWOOD ESTATES SUBDIVISION No. 1 running thence 8 courses along the boundary of KNOLLWOOD ESTATES SUBDIVISION No. 1 North 0° 10' 39" West 340.70 feet and North 31° 26' 56" East 132.22 feet and North 13° 27' 31" East 63.76 feet and along the arc of a 78.00 foot radius curve to the left 37.74 feet (left cord bears South 68° 50' East 38.12 feet) and along the arc of a 136.00 foot radius curve to the left 16.61 feet, (left chord bears South 86° 20" East 16.62 feet) and North 2° 31' 35" East 94.15 feet and North 31° 14' 49" West 104.10 feet and North 4° 23' 41" West 104.00 feet to the Northeast corner of Lot 11 of said Subdivision, thence North 89° 32' 06" East 94.82 feet to a point a curve having a radius of 263.24 feet, thence along the arc of said curve 303.84 feet to the right (left chord bears North 32° 36' 00" East 287.25 feet), thence along the arc of 415.00 foot radius curve to the right 74.00 feet (left chord bears North 70° 46' 24" East 73.90 feet), thence South 24° 20' 05" east 393.04 feet to the North right-of-way of Ridgedale Drive thence along the arc of a 216.60 foot radius curve to the right 165.19 feet (left chord bears South 46° 10' 58" East 161.21 feet) thence South 24° 20' 05" East 50.00 feet, thence South 65° 39' 55" West 60.00 feet, thence South 24° 20' 05" East 154.14 feet, thence South 65° 39' 55" West 229.68 feet to the most Easterly corner of KNOLLWOOD CONDOMINIUM PHASE 1 Subphase No. 1, thence South 23° 48' 55" East 372.29 feet, thence North 89° 31' 05" West 644.87 feet to the point of beginning.

06-150-0001-0040
06-121-0026, 0017

SUBJECT to an easement and right-of-way in favor of Ogden City Municipal Corporation of the State of Utah, for the construction, operation and maintenance of a culinary water line as follows:

A perpetual easement to construct, reconstruct, operate, repair, replace and maintain the water line and appurtenant structures on, over, across and through a strip of land 20 feet wide lying 10 feet on each side of and parallel and adjacent to the following described centerline; and a temporary easement during construction of the water line and appurtenant structures for construction purposes on, over, across, and through a strip of land 50 feet wide lying 30 feet on the Westerly side of and 20 feet on the Easterly side of and parallel and adjacent to the following described centerline to-wit:

A part of the Northwest Quarter of Section 14, Township 5 North, Range 1 West, Salt Lake Base & Meridian: BEGINNING at a point South 80° 31' 05" East, 581.72 feet from the Northwest corner of said Northwest Quarter of Section 14 and running along the arc of a 169.21 foot radius curve to the left 45.59 feet, the tangent of which bears South 0° 49' 55" East: thence South 24° 45' East, 164.81 feet; thence south 65° 25' 36" West, 67.3 feet to a point of tangency of a 230.87 foot radius curve to the left; thence Southerly 319.96 feet along the arc of said curve; thence south 12° 08' 40" East, 161.94 feet to point of tangency of a 336.2 foot radius curve to the right; thence Southerly 231.56 feet along the arc of said curve; thence South 25° 29' West; 90.0 feet to point of tangency of a 407.11 foot radius curve to the left; thence Southerly along the arc of said curve 182.33 feet; thence South 0° 10' 39" East; 155.22 feet, more or less. Perpetual Easement: 0.651 ¼ acres.

EXHIBIT A-1

A part of the North Half of the Northwest Quarter of Section 14, Township 5 North, Range 1 West, Salt Lake Base and Meridian: BEGINNING at a point which is South 0° 39' East 1320.0 feet and South 89° 31' 05" East, 872.87 feet from the Northwest corner of said Section 14, also said point is South 0° 10' 39" East 33.70 and South 89° 31' 05" East, 644.87 feet from the Southwest corner of Lot 10 KNOLLWOOD ESTATES SUBDIVISION No. 1, and running thence South 89° 31' 05" East 357.13 feet thence North 0° 10' 39" West 334.04 feet; thence North 24° 17' West 450.0 feet; thence North 8° 25' 01" East 78.29 feet; thence North 0° 28' 55" East 500 feet; thence North 89° 31' 05" West 940.0 feet; thence South 6° 11' 23" West 424.18 feet; thence North 88° 16' 54" East 128.09 feet; thence along the arc of a 218.07 foot radius curve to the right 247.06 (left chord bears North 31° 58' 24" East 233.06 feet); thence along the arc of a 402.50 foot radius curve to the right 69.52 feet (left chord bears North 70° 36' 47" East 69.44 feet) thence South 24° 30' 05" East 405.74 feet; thence along the arc of a 216.6 foot curve to the right 165.19 feet (left chord bears South 46° 10' 50" East 161.21 feet); thence South 24° 20' 05" East 50 feet; thence South 24° 20' 05" East 154.14 feet; thence South 65° 39' 55" West 229.60 feet; thence South 23° 48' 55" East 372.29 feet to the point of beginning.

Subject to an easement and right-of-way in favor of Ogden City, a Municipal Corporation of the State of Utah, for the construction, operation and maintenance of a culinary water line as follows:

A perpetual easement to construct, reconstruct, operate, repair, replace and maintain the water line and appurtenant structures on, over, across and through a strip of land 20 feet wide lying 10 feet on each side of and parallel and adjacent to the following described centerline, and a temporary easement during construction of the water line and appurtenant structures for construction purposed on, over, across and through a strip of land 50 feet wide lying 30 feet on the Westerly side of and 20 feet on the Easterly side of and parallel and adjacent to the following described centerline to-wit:

A part of the Northwest Quarter of Section 14, Township 5 North, Range 1 West, Salt Lake Base & Meridian; BEGINNING at a point South 89° 31' 05" East, 581.72 feet from the Northwest corner of said Northwest Quarter of Section 14 and running along the arc of a 169.21 foot radius curve to the left 45.59 feet, the tangent of which bears South 0° 49' 55" East; thence South 24° 45' East, 164.81 feet, thence South 65° 25' 30" West, 67.3 feet to a point of tangency of a 230.87 foot radius curve to the left, thence Southerly 319.96 feet along the arc of said curve, thence South 12° 08' 46" East, 161.94 feet to point of tangency of a 336.2 foot radius curve to the right, thence Southerly 231.56 feet along the arc of said curve, thence South 25° 29' West, 90.0 feet to point of tangency of a 407.11 foot radius curve to the left, thence Southerly along the arc of said curve 182.33 feet thence South 0° 10' 39" East, 155.22 feet, more or less. Perpetual Easement: 0.651 1/4 acres.

REORDERERS NOTE: THE POINT INSPECT

06-178-2001-0014
 06-184-0001-0010-06-184-0034-0036-
 06-183-0001-0015-

06-167-0001-0006-
 06-133-0007-
 06-238-0001-0005-

EXHIBIT B
BUILDING AND UNIT DESIGNATIONS

BUILDING	UNIT
A	1
	2
B	3
	4
	5
C	6
	7
D	8
	9
	10
	11
	12
E	14
F	15
	16
	17
G	18
	19
	20
H	21
	22
I	23
	24
J	25
	26
K	27
	28
	29
L	30
	31

BUILDING	UNIT
M	32
	33
N	34
	35
	36
O	37
	38
P	39
	40
Q	41
	42
	43
R	44
	45
	46
S	47
	48
	49
T	50
	51
	52
	53
	54
U	55
	56
	57
V	58
	59
	60

EXHIBIT "C"

BYLAWS OF KNOLLWOOD CONDOMINIUM

The following are adopted as the administrative Bylaws of Knollwood Condominium.

ARTICLE I

SUBMISSION AND APPLICABILITY

1. **Submission.** These Bylaws are referred to and incorporated by reference in the foregoing Amended and Restated Declaration of Condominium of the Knollwood Condominium (the "Declaration"), which is located in Weber County, State of Utah. These Bylaws shall govern the administration of Knollwood Condominium and its Association of Owners.
2. **Conflict.** In the event of any conflict, incongruity or inconsistency between the provisions of these Bylaws and the provisions of the Declaration, the latter shall in all instances govern and control.
3. **Office and Registered Agent.** The Registered Agent of the Association shall be the President of the Association and the Registered Office of the Association shall be the home of the President or such other place as shall be designated by him.
4. **Bylaws Applicability.** All present and future Owners, residents, tenants, renters, lessees, and their guests, licensees, invitees, servants, agents or employees, and any other person or persons who shall be permitted entrance at Knollwood Condominium shall be subject to and abide by these Bylaws.

ARTICLE II

ASSOCIATION

1. **Composition.** The association of Unit owners is a mandatory association consisting of all Unit Owners at the Complex.
2. **Voting.** Each Unit shall have one (1) vote. Multiple owners must elect a representative to cast their vote. A vote cast, without objection, by an apparent representative of multiple owners shall be binding upon the parties. Entities may vote by means of their authorized agent.
3. **Place of Meeting.** Meetings of the Association shall be held at the principal office of the Association or at such other suitable place as may be designated by the Board from time to time and stated in the notice of meeting.

4. **Annual Meeting.** Unless otherwise designated by the Board, the annual meeting of the Association shall be held at 9:00 o'clock a.m. on the third Saturday of October of each year, or at such other suitable day, date and time as may be designated by the Board from time to time. When such day is a legal holiday, the meeting shall occur on the first business day thereafter. The place of meeting shall be the principal office of the Association unless otherwise specified in the notice of meeting.
5. **Special Meetings.** The President shall call a special meeting (a) if he so desires, (b) if a majority of the members of the Board direct him to do so, or (c) upon receipt of a petition signed and presented to the Secretary of the Board by at least twenty-five percent (25%) of the members of the Association. The notice of any special meeting shall state the date, time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.
6. **Notice of Meeting.** It shall be the duty of the Secretary to hand deliver or mail, by regular U.S. mail postage prepaid, a notice of (a) each annual meeting of the Owners not less than ten (10) and not more than thirty (30) days in advance of such meeting; and (b) each special meeting of the Owners at least three (3) days and not more than twenty (20) days in advance of such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Owner of record, at the address of his respective Unit or such other address as each Owner may have designated by notice in writing to the Secretary. The mailing of a notice of meeting in the manner provided in this Section shall be considered service of notice.
7. **Voting Requirements.** An Owner shall be deemed to be in "good standing" and "entitled to vote" at any annual meeting or at any special meeting of the Association if, and only if, he shall be in full compliance with all of the terms, covenants, and conditions of the Complex Documents, and shall have fully paid all Assessments and/or Additional Charges due.
8. **Proxies.** The votes pertaining to any Unit may be cast pursuant to a proxy or proxies duly executed by or on behalf of the Unit Owner, or in cases where the Unit Owner is more than one person, by or on behalf of all such persons. No such proxy shall be revocable except by actual written notice to the person presiding over the meeting, by the Unit Owner or by any of such persons, that it be revoked. Any proxy shall be void if it is not dated, if it purports to be revocable without notice, or if it is not signed by a person having authority, at the time of the execution thereof, to execute deeds on behalf of that person. Unless it expressly states otherwise, a proxy shall terminate automatically upon the adjournment of the first meeting held on or after the date of that proxy. Each proxy must be filed with the Secretary of the Board before the meeting. Only individual Unit Owners or the legal representative of an Organizational Unit Owner may be proxies.
9. **Quorum.** A majority of the members of the Association shall constitute a quorum for the adoption of decisions. If, however, such quorum shall not be present or represented at any meeting, the Owners entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting and reschedule for a time no earlier than two (2) days nor more than thirty (30) days after the set time for the original meeting. No notice of

such rescheduled meeting shall be required except an announcement thereof at the original meeting. The Owners present at the rescheduled meeting shall constitute a quorum for the adoption of decisions. When a quorum is present at any meeting, the vote of the Unit Owners representing a majority of the members of the Association present at the meeting either in person or by proxy, shall decide any question brought before the meeting; provided, however, if the Declaration requires a fixed percentage of Unit Owners to approve any action, however, that percentage shall be required anything to the contrary notwithstanding.

10. **Order of Business.** The order of business at all Association meetings shall be as follows:
 - a) roll call;
 - b) proof of notice of meeting;
 - c) reading of minutes of preceding meeting;
 - d) reports of officers;
 - e) report of special committees, if any;
 - f) election of inspectors of election, if applicable;
 - g) election of Board Members, if applicable;
 - h) unfinished business; and
 - i) new business.

11. **Conduct of Meeting.** The President shall, or in his absence the Vice-President, preside over all meetings of the Association; the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted by the meeting as well as record of all transactions occurring thereat.

ARTICLE III

BOARD OF DIRECTORS

1. **Powers and Duties.** The affairs and business of the Association shall be managed by the Board of Directors. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Association in accordance with the provisions of the Declaration, and may do all such acts and things necessary to operate and maintain the Complex. The Board may delegate its authority to a manager or managers. Subject to any limitations or provisions contained in the Declaration, the Board shall be responsible for at least the following:
 - a) Preparation of an annual budget;
 - b) Determining the annual assessment of each Owner;
 - c) Managing the Association;
 - d) Maintaining the Common Areas and Facilities;
 - e) Collecting the Assessments;
 - f) Depositing the collections into a federally insured interest bearing account or accounts;
 - g) Adopting and amending rules and regulations;

- h) Enforcing the Complex Documents;
- I) Opening of bank accounts on behalf of the Association and designating the signatories required therefor;
- j) Making, or contracting for the making of, repairs, additions, and improvements to, or alterations of, the Property and repairs to, and restoration of, the Property, in accordance with the Declaration and other provisions of these Bylaws, after damage or destruction by fire or other casualty;
- k) Commencing legal action when necessary;
- l) Purchasing and maintaining insurance;
- m) Paying the cost of all services rendered to the Project and not billed directly to Owners of individual Units;
- n) Keeping books and records of the Association;
- o) Providing common utility services;
- p) Paying any amount necessary to discharge any mechanic's or materialman's lien or other encumbrance levied against the Common Area or Facilities;
- q) Giving notice of alleged violations of the Complex Documents and providing the alleged violator the opportunity to be heard;
- r) Levying fines, sanctions and citations;
- s) Making emergency repairs;
- t) Towing or impounding motor vehicles;
- u) Evicting non-Owner residents in material violation of the Complex Documents or who have created and failed to abate a nuisance;
- v) Charging user fees and rents for the Recreational Vehicle parking area;
- w) Assigning parking spaces; and
- x) Doing such other things and acts necessary to accomplish the foregoing.

2. **Composition of Board.** The Management Board shall be composed of five to nine (5 to 9) members of the Association.

3. **Qualification.** Only individual Unit Owners shall be eligible for Board Membership.

4. **Election and Term of Office of the Board.** The term of office of membership on the Board shall be two (2) years and each member shall serve on the Board until such time as his successor is duly qualified and elected.

5. **Organizational Meeting.** The first meeting of the members of the Board shall be immediately following the annual meeting of the Association or at such other time and place designated by the Board.

6. **Regular Meetings.** Regular meetings of the Board shall be held from time to time and at such time and place as shall be determined by a majority of the members of the Board, but no less often than monthly.
7. **Special Meetings.** Special meetings of the Board may be called by the President, Vice-President or a majority of the members on at least forty-eight (48) hours prior notice to each member. Such notice shall be given personally, by regular U.S. mail postage prepaid, or by telephone, and such notice shall state the time, place and purpose of the meeting. Any meeting attended by all members of the Board shall be valid for any and all purposes.
8. **Waiver of Notice.** Before or at any meeting of the Board, any member may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member at any such meeting of the Board shall constitute a waiver of notice. If all the members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.
9. **Quorum.** At all meetings of the Board, a majority of the members then in office shall constitute a quorum for the transaction of business, and the acts of the majority of all the Board members present at a meeting at which a quorum is present shall be deemed to be the acts of the Board. If, at any meeting of the Board, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time but for no longer than two (2) days. At any such rescheduled meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.
10. **Vacancies.** Vacancies in the Board caused by any reason other than removal of a member by a vote of the Association shall be filled by vote of the majority of the remaining members of the Board at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy, even though the total members remaining may constitute less than a quorum of the Board; and each person so elected shall be a member for the remainder of the term of the member so replaced. A vacancy created by the removal of a member by a vote of the members of the Association at a special meeting called for that purpose shall be filled by the election and vote of the members of the Association at said meeting.
11. **Removal of Board Member.** A member may be removed, with or without cause, and his successor elected, at any duly called regular or special meeting of the Association at which a quorum of the Association is present, by an affirmative vote of a majority of the members of the Association. Any member whose removal has been proposed by the Owners shall be given at least ten (10) days notice of the calling of the meeting and the purpose thereof and an opportunity to be heard at the meeting. Any Board Member who misses twenty-five percent (25%) or more of the Board Meetings or who misses three (3) consecutive meetings in any calendar year, shall be automatically removed from the Board.
12. **Compensation.** Board members shall not be compensated for their services but shall be reimbursed for all expenses reasonably incurred in connection with Board business and approved by the Board.

13. **Conduct of Meetings.** The President shall preside over all meetings of the Board and the Secretary shall keep a Minute Book of the Board recording therein all resolutions adopted by the Board and a record of all transactions and proceedings occurring at such meetings, subject to the following:
 - a. **Open Meetings.** A portion of each Board meeting shall be open to all members of the Association, but members other than Board members may not participate in any discussion or deliberation unless expressly authorized by a majority of a quorum of the Board. The Board shall establish procedures, policies, and guidelines for conducting of its meetings, retiring to executive session, and prohibiting photographs and/or any electronic (video or audio) recordation of the meetings, or any part thereof.
 - b. **Executive Session.** The Board may, with approval of a majority of a quorum, adjourn a meeting and reconvene in an Executive Session to discuss and vote upon private, confidential, sensitive or personnel matters, litigation, and orders of business of a similar nature. The nature of any and all business to be considered in an Executive Session shall first be announced in open session.
 - c. **Action Without a Formal Meeting.** Any action to be taken at a meeting of the Board may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all members of the Board.
14. **Report of Board.** The Board shall present at each annual meeting, and when called for by vote of the Association at any special meeting of the Association, a full and clear statement of the business and condition of the Association.

ARTICLE IV

OFFICERS

1. **Designation.** The principal officers of the Association shall be a President, a Vice-President, a Secretary and a Treasurer, all of whom shall be elected by the Board. The Board may appoint assistant secretaries and such other officers as in its judgment may be necessary. All officers shall also be members of the Board. Two or more offices may be held by the same person, except that the President shall not hold any other office.
2. **Election of Officers.** The officers of the Association shall be elected annually by the members of the Board at their first meeting after the annual meeting of the Association. Any vacancy in an office shall be filled by the remaining members of the Board at a regular meeting or special meeting called for such purpose.
3. **Removal of Officers.** The officers shall hold office until their respective successors are chosen and qualify in their stead. Any officer elected or appointed by the Board may be removed at any time by the affirmative vote of a majority of the Board, and his successor may be elected at any regular meeting of the Board, or at any special meeting of the Board called for such purposes.

4. **President.** The President shall be the chief executive officer; he shall preside at meetings of the Association and the Board and shall be an ex officio member of all committees; he shall have general and active management of the business of the Board and shall see that all orders and resolutions of the Board are carried into effect. He shall have all of the general powers and duties, which are usually vested in or incident to the use of president of a stock corporation organized under the laws of the State of Utah.
5. **Vice-President.** The Vice-President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President, and shall perform such other duties as the Board or the President shall prescribe. If neither the President nor the Vice-President is able to act, the Board shall appoint a member of the Board to do so on an interim basis.
6. **Secretary.** The Secretary shall attend all meetings of the Board and all meetings of the Association and record all votes and the minutes of all proceedings in a book to be kept by him or her for that purpose and shall perform like duties for Boards when required. He shall give, or cause to be given, notices for all meetings of the Association and the Board and shall perform such other duties as may be prescribed by the Board. The Secretary shall compile and keep current at the principal office of the Association, a complete list of the Owners and their last known post office addresses. This list shall be open to inspection by all Owners and other persons lawfully entitled to inspect the same, at reasonable hours during regular business days. The Secretary shall also keep current and retain custody of the Minute Book of the Association, containing the minutes of all annual and special meetings of the Association and all sessions of the Board including resolutions.
7. **Treasurer.** The Treasurer shall have custody of all funds and securities. He shall keep full and accurate records of receipts and disbursements, shall prepare all required financial data, and shall deposit all monies and other valuable effects in such depositories as may be designated by the Board. He shall disburse funds as ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and members, at the regular meetings of the Board, or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Complex. A certified financial firm or person may be hired to accomplish the duties of the Treasurer and shall report to the Board.

ARTICLE V

FISCAL YEAR

The fiscal year of the Association shall be the calendar year consisting of the twelve month period commencing on January 1 of each year terminating on December 31 of the same year. The fiscal year herein established shall be subject to change by the Board should it be deemed advisable or in the best interests of the Association.

ARTICLE VI

AMENDMENT TO BYLAWS

1. **Amendments.** These Bylaws may be modified or amended by the affirmative vote of a majority of the members of the Association, which vote may be taken with or without a meeting, and after at least 15 days notice in writing has been provided to each unit owners. All of the votes must be obtained within a ninety day period of when notice of the proposed change is first given.
2. **Recording.** An amendment to these Bylaws shall become effective immediately upon recordation in the Office of the County Recorder of Weber County, State of Utah.

ARTICLE VII

NOTICE

1. **Manner of Notice.** All notices, demands, bills, statements, or other communications provided for or required under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or sent by regular U.S. Mail postage pre-paid, (a) if to an Owner, at the address of his Unit and at such other address as the Owner may have designated by notice in writing to the Secretary; or (b) if to the Board or the Manager, at the principal office of the Manager or at such other address as shall be designated by notice in writing to the Owners pursuant to this Section.
2. **Waiver of Notice.** Whenever any notice is required to be given under the provisions of the statutes, the Declaration, or of these Bylaws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether signed before or after the time stated therein, shall be deemed equivalent thereto, unless such waiver is ineffective under the provisions of the Declaration.

ARTICLE VIII

COMPLIANCE, CONFLICT, AND MISCELLANEOUS PROVISIONS

1. **Compliance.** These Bylaws are set forth in compliance with the requirements of the Declaration.
2. **Conflict.** These Bylaws are subordinate and subject to all provisions of the Declaration. All of the terms hereof, except where clearly repugnant to the context, shall have the same meaning as they are defined to have in the Declaration.
3. **Severability.** If any provisions of these Bylaws or any section, sentence, clause, phrase, or work, or the application thereof in any circumstance is held invalid, the validity of the remainder of these Bylaws shall not be affected thereby and to this end, the provisions hereof are declared to be severable.

- 4. **Waiver.** No restriction, condition, obligation, or provision of these Bylaws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.
- 5. **Captions.** The captions contained in these Bylaws are for convenience only and are not part of these Bylaws and are not intended in any way to limit or enlarge the terms and provisions of these Bylaws.
- 6. **Construction.** Whenever in these Bylaws the context so requires, the singular number shall refer to the plural and the converse; the use of any gender shall be deemed to include both masculine and feminine, and the term "shall" is mandatory and "may" permissive.
- 7. **Effective.** These Bylaws shall be effective upon recording in the Office of the County Recorder of Weber County.

Dated the 10th day of NOVEMBER, 2004.

CERTIFICATION

It is hereby certified that Condominium Unit owners holding more than sixty-seven percent (67%) of the undivided ownership interest in the Common areas and facilities have voted to approve these Bylaws.

IN WITNESS WHEREOF, this 9th day of November, 2004

By: [Signature]
President

STATE OF UTAH)
 :SS
COUNTY OF WEBER)

On the 9th day of November, 2004, personally appeared before me M. Keith Opprecht, who by me being duly sworn, duly acknowledged to me that he executed the same.

[Signature]
NOTARY PUBLIC

