

DECLARATION OF COVENANTS AND BY-LAWS
"CAMBRIDGE VILLAGE TOWNHOUSES"

ST. GEORGE, UTAH

THIS DECLARATION of covenants and by-laws, hereinafter referred to as "Declaration", is made and executed in St. George, Washington County, State of Utah, on this 9th day of June 1982 by LARRY MAC ADAMS AND MARCIA ADAMS

RECORDED IN SOUTHERN UTAH TITLE
BOOK 311 PAGE 528-537
FEE \$30
1982 JUN 24
DOCUMENT 239131
HERBERT S. BENNETT
WASHINGTON COUNTY, UTAH

WITNESSETH:

WHEREAS, The Declarant is the owner of certain property in the City of St. George, County of Washington, State of Utah, which is more particularly described as follows:

BEGINNING at the Southwest Corner of Lot 3, Block 12, Plat "C", ST. GEORGE CITY SURVEY; running thence N. 0°06'46" E. 396.00 feet along the West Lot line of Lots 3 and 6 to the centerline of Lot 6; thence S. 89°57'22" E. 220.41 feet along said centerline of Lot 6 and Lot 7; thence S. 0°07'58" W. 270.00 feet; thence W. 89°57'22" W. 92.00 feet; thence S. 0°07'28" W. 126.00 feet more or less to the South line of Lot 3; thence W. 89°57'22" W. 128.30 feet along said lot line to the point of beginning. Containing 1.739 Acres

WHEREAS, Declarant is the owner of certain townhomes and other improvements hereafter to be constructed upon the property, and it is the desire and intention of the Declarant to sell and convey the same to various purchasers, and

WHEREAS, Declarant will convey the said properties subject to certain protective covenants and by-laws as hereinafter set forth;

NOW THEREFORE, Declarant hereby declares that all the property described above shall be held, sold, and conveyed subject to the following covenants and by-laws which are for the purpose of protecting the value and desirability thereof, and which shall run with the real property and be binding on all parties having any rights, titles, or interests in the described property or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of each owner thereof,

ARTICLE 1

DEFINITIONS

The following terms used in the Declaration shall have the meaning hereinafter set forth:

1. "Association" shall mean and refer to Townhouse Association, its successors and assigns acting in accordance with this declaration and by-laws.
2. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the owners.
3. "Townhouse" shall mean the ownership of a single-family dwelling unit in common with other single-family dwelling units together with an undivided interest in the common area and facilities of the property and shall include ownership of the real property lying beneath said single-family dwelling unit.
4. "Townhouse Owner" shall mean the person or persons owning a townhouse in fee simple and an undivided interest in fee simple of the common area and facilities as specified and established in this declaration.
5. "Unit Number" shall mean the number, letter, or combination thereof designating the townhouse unit in the declaration and in the record of survey map.
6. "Majority" shall mean the owners of more than fifty percent of the townhouse units and of more than fifty percent interest of the undivided ownership of the common area and facilities.
7. "Limited Common Area" shall mean and include those common areas and facilities designated in the declaration as reserved for use of a certain townhouse unit or units to the exclusion of other units.
8. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the members, and not dedicated for use by the general public, specifically exempting therefrom all units as defined herein which shall be deeded to grantees of Declarant.
9. "Driveway" shall mean and refer to the concrete area commencing on the front lot line of each unit and running to a common driveway within the common area or to a public street, as the case may be.

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ARTICLE 2

CREATION OF HOMEOWNERS ASSOCIATION

1. MEMBERSHIP: Every person or persons who is the owner of record of a fee or undivided fee interest in any unit which is subject by covenant and by-laws of record to assessment by the Association shall be a member of the Association. No owner shall have more than one (1) membership. Membership shall be appurtenant to and may not be separate from ownership of any townhouse unit which is subject to assessment by the Association. Ownership of such townhouse unit shall be the sole qualification for membership.

2. METHOD OF CALLING MEETINGS: Meetings of the Home Owners Association shall be of two types; these shall be:

(a) General Meetings of the entire Home Owners Association shall be held not less than one time per year. Said meeting to be determined by the board of directors of said Association and members to be notified of said meeting in the same manner as provided for in Article 4-3-C of this Declaration. Additional meetings may be called in the same manner as provided herein and at the discretion of the board of directors.

(b) Board of Directors Meetings shall be held on a regularly scheduled basis not less than quarterly. The time and place of such meetings shall be made known to all owners of record of townhouse units, and all meetings shall be open to any member of the Association.

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3. QUORUM TO DO BUSINESS: At all regularly scheduled Association meetings and all special Association meetings, a quorum to do business shall consist of two-thirds of the Association members, and all action requires Association approval. The action shall be approved by not less than two-thirds of the Association members present at same meeting.

4. SELECTION OF BOARD OF DIRECTORS: The first meeting of the Association shall be presided over by the Declarant of these covenants and by-laws. At this meeting said Declarant shall organize a Board of Directors of the Association. Said board shall consist of three members of the Association who shall be nominated by other members of the Association and shall be voted upon and elected by a majority vote.

(a) The terms of election of the original Board of Directors shall be specifically set down at the election meeting. One board member shall be elected for one year. One board member shall be elected for two years, and one board member shall be elected for three years.

(b) At subsequent annual meetings of the Association membership, one member of the Board of Directors whose term shall expire that year shall be replaced.

(c) All subsequent meetings and business of the Association shall be conducted by the Board of Directors and presided over by the board member whose term shall expire the following year.

(d) Notwithstanding anything contained to the contrary, the declarant shall act as the Board of Directors until a date selected by the Board of Directors and during which period the by-laws relative to the election of Directors shall be suspended but while date shall not be longer than ninety (90) days after transfer of title to all units to be constructed.

5. RECORDS TO BE KEPT: One member of the Board of Directors of the Association shall be appointed by that board to serve as Association Secretary.

(a) Records shall be kept of all meetings held by the Association and by the Board of Directors. Said minutes shall be made available for review by any member of the Association at any reasonable time.

(b) Records shall also be kept by the Board of Directors of the financial status of the Association, and a financial statement shall be prepared and submitted to all Association members at the annual Association meeting.

ARTICLE 3

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PROPERTY RIGHTS

1. USE OF COMMON AREA: Every member shall have a right and easement of enjoyment in and to the common area, and such easement shall be appurtenant to and shall pass with the title to every assessed lot. Any member may designate in accordance with the Declaration and by-laws their right and enjoyment to the common area and facilities to the members of his family, his tenants, or contract purchaser who reside on the property, all of whom shall be subject to the following provisions:

(a) The right of the Association to limit the number of guests of members.

(b) The right of the Association to borrow money for the purpose of improving the common areas and facilities.

(c) The right of the Association to suspend the voting rights and the right to use the common area by a member for any period during which any assessment against his townhouse unit remains unpaid, and for a period not to exceed thirty (30) days for any infraction of its published rules and regulations.

(d) Each of the units shall be occupied only by a family, its servants, and guests as a private residence and for no other purpose.

(e) The common areas shall be used only for the purposes for which they are intended in the furnishing of services and facilities for the enjoyment of the owners.

(f) No use or practice shall be permitted in the townhouse area which is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the property by its residents. All parts of the property shall be kept in a clean and sanitary condition, and no rubbish, refuse, or garbage allowed to accumulate nor any fire hazard allowed to exist. No unit owner shall permit any use of his unit or of the common areas which will increase the rate of insurance upon the townhouse property.

(g) Until the Declarant has completed and sold all of the units, neither the unit owners nor the Management Committee shall interfere with the completion of the contemplated improvements and sale of the units. The Declarant may make such use of the unsold units and common areas as may facilitate such completion and sale, including but not limited to the maintenance of a sales office, the showing of the property, and the display of signs.

(h) *The Management Committee and its duly authorized agents* shall have the right to enter any and all of the units in case of an emergency originating in or threatening such unit or any other part of the Project, whether or not the owners or occupant thereof is present at the time. The Committee and its duly authorized agents shall also have the right to enter into any and all of said units at all reasonable times as required for the purpose of making necessary repairs upon the common areas and facilities of the Project and for the purpose of performing emergency installations, alterations, or repairs to the mechanical or electrical devices or installations located therein or thereon; provided, however, such emergency installations, alterations, or repairs are necessary to prevent damage or threatened damage to other units in the Project; and provided further that the apartment owner affected by such entry shall first be notified thereof if available and if time permits.

(i) No immoral, improper, offensive, or unlawful use shall be made of the townhouse or any part thereof.

2. LIMITED COMMON AREA:

(a) Parking Rights - Ownership of each lot shall entitle the owner or owners thereof to the exclusive use of the driveway in front of the unit together with the right of ingress and egress in and upon said driveway to the owners garage. Parking by others in such a manner as to prevent ingress or egress to said garage shall be prohibited.

(b) Patio Rights - The owners of each unit shall have the exclusive right to use a patio area located behind each unit and lying between the unit and the side property line. The mainten-

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ance of this area shall be the sole responsibility of the owner of the unit and shall not be done under the direction of the Management Committee.

3. TITLE TO COMMON AREA: The Declarant hereby covenants that it will convey fee simple title of the common area to the Association free and clear of all encumbrances and liens.

ARTICLE 4

BY-LAWS FOR MAINTENANCE OF PROPERTIES

1. ASSESSMENTS: The Declarant, for each townhouse owned, and the owner of any unit by acceptance of a deed therefor, is deemed to covenant and agree to pay the Association an annual assessment and/or special assessment to be established and collected from time to time as hereinafter provided. Each such assessment shall be the personal obligation of the person who was the owner of such property at the time the assessment was due. The obligation shall not pass to the successor in title unless expressly assumed by them.

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2. PURPOSE OF ASSESSMENTS: The assessments levied by the Association shall be used for the purpose of promoting the recreation, health, safety, and welfare of the residents of the property and particularly for the improvement and maintenance of the property, service, and facilities devoted to this purpose. They shall include, but are not limited to, funds for the cost of the Association of all taxes, insurance, repairs, replacements, and maintenance of the common areas and of the maintenance of the exteriors of the townhouse units as may be authorized by the Association. They may also include other activities such as caring for the grounds, landscaping, garbage pickup, maintenance of water and sewer systems or other services that the Board of Directors of the Association shall determine to be necessary to meet the obligations of the Association.

3. AMOUNT OF ANNUAL ASSESSMENTS:

(a) For the first year immediately following the conveyance of the first townhouse lot to any owner, the maximum annual assessment shall be \$_____ per year per unit.

(b) Following the first year the maximum assessment may be increased, not more than 10 percent of the maximum assessment for the previous year without a vote of the membership.

(c) Any additional increase shall have the approval of two-thirds of the members of the Association and a meeting shall be called for this purpose, and written notice shall be sent to all Association members not less than 30 days and not more than 60 days in

advance of the meeting.

(d) In addition to the annual assessment authorized above, the Association may levy in any assessment year a special assessment for that year only for the purpose of deferring in whole or in part the cost of any construction, reconstruction, repair or replacement of capital improvement upon the common area provided that any such assessment shall have the approval of two-thirds of the members of the Association at a meeting called and held in the same manner as outlined in (c) above.

4. COMMENCEMENT OF ANNUAL ASSESSMENTS:

(a) The annual assessments provided herein shall commence on the first day of the month following the transfer and recording of title to any unit to a purchaser. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year.

(b) Each unit owner, tenant, or occupant of a unit shall comply with the provisions of the Act, this Declaration, the By-Laws, and the rules and regulations, all agreements and determinations lawfully made and/or entered into by the Management Committee or the unit owners when acting in accordance with their authority; and any failure to comply with any of the provisions thereof shall be ground for an action by the Management Committee to recover any loss or damage resulting therefrom or injunctive relief.

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5. EFFECT OF NONPAYMENT OF ASSESSMENTS: Assessments which are not paid when due shall be delinquent. If the assessment is not paid within 30 days, the assessment shall bear interest from the date of delinquency at the estimated bank rate of interest for consumer loans; and the Association may bring action of law against the owner or owners to pay the same and interests costs. Reasonable attorney fees of any such action shall be added to the amount of assessment. In addition, the rights and privileges of the member to the use of the common area may be withheld as provided in Article 3-1-C above.

Each member of the Management Committee shall be indemnified and held harmless by the unit owners against all cost, 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 Committee.

6. PERCENT OF OWNERSHIP: The owner or owners of each townhouse unit shall hold an equal percentage of right and interest in the common area. All townhouse owners shall have one vote in the Management Association, irrespective of the number of units owned.

7. MANAGEMENT AGREEMENTS: Each townhouse owner agrees to be bound by the terms and conditions of all management agreements entered into by the Association. One copy of all such agreements shall be available to each owner, and all such agreements may be cancelled by a vote of two-thirds of the members of the Association. The Association or its Board of Directors shall enter into new management agreements prior to expiration of any prior contract.

8. INSURANCE ASSESSMENTS: The Management Association or the Board of Directors thereof shall have authority to and shall obtain insurance, as deemed necessary by the Association, for all buildings and shall also obtain a Public Liability Policy covering all common area and all damage or injury caused by the negligence of the Association and may also include coverage against vandalism. In addition to the above-mentioned insurance required to be carried, any owner may, at his own expense, carry all other insurances that he deems advisable and may include such items as home owner liability, theft, or personal property damage and loss.

239131 In the event the townhouse project is destroyed or damaged to the extent of 75 percent or less than the replacement value thereof, the Management Committee shall be responsible for repairing, rebuilding, and/or restoring the same to the condition it was in immediately prior to such destruction or damage; and the Management Committee shall, in this instance, be entitled to use the proceeds of any and all insurance policies which it may have had in force on said premises as of the date of such destruction or damage. In the event the townhouse project is destroyed or damaged to the extent of more than 75 percent of the replacement value thereof, the unit owners shall, at a meeting duly called by the Management Committee for the purpose, determine whether or not said premises should be rebuilt, repaired, or disposed of. Unless owners representing not less than 80 percent of the undivided interests in the common areas agree to the withdrawal of the townhouse project from the provisions of the Act and to its subsequent disposal, the premises shall be repaired, rebuilt or restored to the same condition they were in immediately prior to said destruction or damage. In the event the cost of such repairing, rebuilding, or restoring the townhouse project shall exceed the amount realized by the Management Committee from the proceeds of any insurance policy or policies, the unit owners shall contribute to such cost in relation to their percentage of undivided ownership in the common areas.

9. ARCHITECTURAL CONTROL: No building, fence, wall, patio, or other structure shall be erected or maintained, nor shall any

exterior addition to or alteration therein be made to any townhouse unit until the plan and specification of the same shall have been submitted to and approved by the Board of Directors of the Association.

10. TYPE OF CONSTRUCTION: All structures erected on the property shall be of new construction. No building or structure shall be moved from other locations onto the property, and no structures of a temporary nature shall be used on a portion of the property.

11. SIGNS: No advertising signs shall be permitted on the property except for a sign advertising for rent or for sale of an individual townhouse unit, and such signs shall not be greater than two square feet in area. An identifying name sign may be displayed on the exterior of any townhouse unit, provided said sign shall not be in excess of one square foot in area.

12. LAND USE OF TOWNHOUSE UNITS: Except for land designated for common area, all townhouse units shall be used for residential purposes only. No business or activities of any kind whatsoever shall be conducted in any building or on any portion of said property.

13. NO ANIMALS: No animals, livestock, or poultry of any kind shall be raised or kept in any unit or in the common area except that dogs or cats or any other household pets may be kept, provided that they are not kept or maintained for commercial purposes and that they are kept in compliance with all laws and regulations of the City of St. George as they now exist or may be hereinafter adopted.

14. SERVICE AREAS: All rubbish, trash, and garbage shall be regularly removed from the premises and shall not be allowed to accumulate. Clothes lines shall be confined to patio areas.

15. LANDSCAPING: No landscaping or gardening shall be done, except as is installed during initial construction of the building or as may be later authorized by the Association.

16. MAINTENANCE: Maintenance and up-keep of all common areas shall be the responsibility of the Association.

17. MAINTENANCE OF UNITS: Each unit owner, at his expense, shall keep the interior of his unit and its equipment and appurtenances in good order, condition, and repair and in a clean and sanitary condition, and shall do all redecorating and painting which may at any time be necessary to maintain the good appearance of his unit.

ARTICLE 5

VALIDITY OF RESTRICTIONS

1. VALIDITY: All of the covenants and by-laws of this Declaration

shall be construed together; but if any time it shall be held that any one of the said conditions, covenants, or by-laws or any part thereof is invalidated or for any reason is not enforceable, no other covenant or by-law or any part thereof shall be impaired or made unenforceable.

2. DURATION: The covenants and by-laws of this Declaration shall run with and bind the land and shall insure to the benefit of and be enforceable by the Association or the owner or owners of any townhouse unit subject to this Declaration and their legal representatives, heirs, successors, and assigns for a period of 20 years from the date the Declaration is recorded after which time said covenant and by-laws shall be automatically extended for successive periods of 10 years. Covenants and by-laws may be amended by a vote of not less than two-thirds of the unit owners in the manner provided for herein.

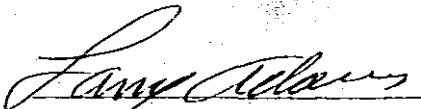
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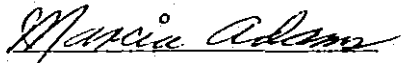
ARTICLE 6

ASSIGNMENT OF POWERS

Any and all rights and powers of Declarant herein contained may be delegated, transferred, or assigned. "Declarant" shall include all assigns or successors in interest of Declarant.

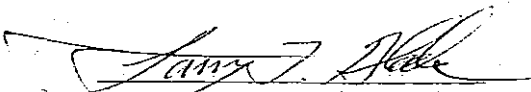
IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 15th day of June 1982.


Declarant - Larry Adams


Declarant - Marcia Adams

Declarant

Subscribed and sworn before me this 15th day of June 1982.


Notary Public LARRY T. BLAKE

Residing at: St. George, Utah 84770

Commission Expires: 12-28-85

