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AMENDED AND RESTATED
DECLARATION OF CONDOMINIUM
OF
THREE FOUNTAINS BOUNTIFUL

03-079-0001 thru 0060

This Amended and Restated Declaration of Condominium of Three Fountains Bountiful (herein "Amended Declaration") is made and executed on the date shown below after being voted on and approved by the owners of units in Three Fountains Bountiful Homeowners' Association.

WHEREAS, the Declaration of Condominium of Three Fountains Bountiful ("Enabling Declaration") was recorded May 8, 1973, in book 515, beginning on page 645, in the records of the Davis County Recorder's Office, as Entry # 380129. There have been various amendments to the Enabling Declaration since the Enabling Declaration was first recorded; and

WHEREAS, the property that is the subject of this Amended Declaration is situated in and upon that certain real property located in Davis County, State of Utah, as specifically described in Exhibit "A", attached hereto and incorporated herein by this reference, including the Common Area that is appurtenant to each Unit as shown on the plat maps for Three Fountains Bountiful as recorded in the office of the County Recorder for Davis County, State of Utah. There are 60 Units at Three Fountains Bountiful.

WHEREAS, The Unit Owners in Three Fountains Bountiful are desirous to update, amend and restate provisions of the Enabling Declaration and to create the Three Fountains of Bountiful Homeowners Association, Inc., a Utah nonprofit corporation ("Association"), which Association will be created by filing Articles of Incorporation with the Utah Division of Corporations and Commercial Code, and which Association shall operate for the purpose of managing the Common Area and enforcing the provisions of the Enabling Declaration, this Amended Declaration, the Bylaws of the Association, and any amendments to any of these documents. The Association will be the governing body of Three Fountains of Bountiful and will operate in accordance with the Enabling Declaration, any amendments to the Enabling Declaration, this Amended Declaration, the Articles of Incorporation (Exhibit "B" attached hereto and incorporated herein by this reference) and the Association Bylaws (Exhibit "C" attached hereto and incorporated herein by this reference) for the purpose of managing the Common Area and enforcing the provisions of the Association governing documents.

NOW THEREFORE, the Unit Owners of Three Fountains Bountiful hereby amend and restate the Enabling Declaration for Three Fountains Bountiful recorded against the real property located in Davis County, Utah, known as Three Fountains Bountiful (and hereafter to be known as "Three Fountains of Bountiful"). This Amended Declaration is being adopted to replace and restate the Enabling Declaration and all amendments to the Enabling Declaration, and, upon adoption, this Amended Declaration will act as the governing document for Three Fountains of Bountiful. If there is any conflict between this Amended Declaration and the Enabling Declaration, this Amended Declaration shall control.

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The Three Fountains Bountiful Enabling Declaration is hereby amended and restated as follows:

AMENDMENTS

ARTICLE I

Definitions

As used in this Amended Declaration, the following defined terms shall have the meaning indicated. Any term not defined herein shall have the meaning as contained in the Condominium Ownership Act.

- 1.1 **"Assessments"** and **"Special Assessments"** shall refer to the annual fixed amount that each Unit is responsible for paying on a monthly basis. A Special assessment is that amount specified for repairing and maintaining the property and buildings.
- 1.2 **"Association"** or **"HOA"** shall mean and refer to the Three Fountains of Bountiful Homeowners Association, Inc., a Utah nonprofit corporation, its successors and assigns.
- 1.3 **"Board of Directors"** or **"Board"** shall mean and refer to a Board of the Association, consisting of at least five (5) members whose duties shall be to manage the monies and properties of the Association in accordance with the provisions of this Amended Declaration and the Association Bylaws. (See Bylaws for the specific duties of the Board).
- 1.4 **"CC&Rs"** shall mean the Declaration of Condominium of Three Fountains Bountiful ("Enabling Declaration") recorded May 8, 1973, in book 515, beginning on page 645, in the records of the Davis County Recorder's Office, as Entry # 380129, unless the term clearly refers to this "Amended Declaration".
- 1.5 **"Common Area"** shall mean all real property (including the improvements thereto) owned or managed by the Association for the common use and enjoyment of the owners. Such common area shall include:
 - (a) All foundations, columns, girders, beams, supports, main wall, retaining walls, roofs, corridors, stairs, entrances and exits of the buildings.
 - (b) Exterior walkways, service streets, yards, trees, gardens, fences, swimming pool, all open parking spaces.
 - (c) Installations of central services such as power, gas, all apparatuses and installations existing for common use, such as community facilities as may be provided for.
 - (d) All other parts of the real property necessary or convenient to its existence, maintenance and safety of the common areas normally in common use.

- (e) All common areas and facilities as defined in the Utah Condominium Ownership Act (Utah Code § 57-8-1 et al), whether or not expressly listed herein.
 - (f) Boundary between the Common Area and a Unit shall be those boundaries defined in Utah Code § 57-8-7.2.
- 1.6 **“Limited Common Areas and Facilities”** shall refer to those Common Areas designated herein as reserved for the use of the particular Units to which they are adjacent, attached, assigned, to the exclusion of the other Units and shall include the patios, balconies and porches, two carports per Unit, and storage or utility areas as indicated in the Map.
- 1.7 **“Map”** shall mean the Record of Survey Map recorded in connection with the Enabling Declaration and on file in the Davis County Records Office.
- 1.8 **“Owner”** or **“Unit Owner”** shall mean and refer to the record Owner, whether one or more persons or entities, of a fee simple title to any Unit which is a part of the properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation such as mortgager’s, unless such mortgager has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.
- 1.9 **“Project”** shall mean and refer to the entire parcel of real property referred to in this Amended Declaration and shall include all Units and Common Area.
- 1.10 **“Properties”** or **“Property”** shall mean and refer to that certain real property described in Exhibit “A” attached hereto, the buildings, all other improvements and structures thereon, all easements, rights and appurtenances belonging thereto, and all articles or personal property intended for use in connection therewith, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.
- 1.11 **“Unit”** shall mean and refer to the living area of a building shown upon any recorded subdivision map of the Properties with exception of the Common Area. A Unit shall include any walls, partitions and floors which are wholly contained within its vertical and horizontal perimeters and the surfaces of any floors, ceilings or covering which bound it.

ARTICLE II

CREATION OF NONPROFIT CORPORATION

- 2.1 The Unit Owners hereby authorize and approve the creation of a Utah nonprofit corporation, to be known as the Three Fountains of Bountiful Homeowners Association, Inc. (“Association”), by filing with the State of Utah the Articles of Incorporation for the Association in a form substantially similar to those contained in Exhibit “B”, attached hereto. The Association shall be responsible for managing the Common Area within Three Fountains of Bountiful and governing the affairs of Three Fountains of Bountiful in accordance with the provisions of this Amended Declaration, the Articles of Incorporation and the Bylaws.

2.2 By voting to approve this Amended Declaration, the Unit Owners hereby agree to adopt the following documents:

- (a) this Amended Declaration;
- (b) the Articles of Incorporation (Exhibit "B" attached hereto); and
- (c) the Bylaws of the Association (Exhibit "C" attached hereto)

as the governing documents of Three Fountains of Bountiful Homeowners Association, Inc., which documents shall constitute equitable servitudes that shall run with the real property described in Exhibit "A".

ARTICLE III

SUBMISSION TO CONDOMINIUM OWNERSHIP

3.1 The Unit Owners hereby reaffirm that the above-described land, the buildings and other improvements constructed thereon, together with all appurtenances thereto, are submitted to the provisions of the Condominium Ownership Act as a condominium project to be known as Three Fountains of Bountiful. The Owners declare that the Properties and every part thereof is held and shall be held, conveyed, devised, leased, granted, encumbered, used, occupied and otherwise affected in any manner, subject to provisions of this Amended Declaration and the Act. Each and all of the provisions hereof are hereby declared to be in furtherance of the general plan and scheme of condominium ownership, and are further declared to be for the benefit of the Properties and every part thereof, and for the benefit of each Unit Owner. All provisions hereof shall be deemed to run with the land as covenants running with the land, or a equitable servitude, as the case may be, and shall bind all persons hereafter acquiring or owning any interest in the Project, however such interest may be obtained.

ARTICLE IV

BUILDINGS AND FACILITIES

To the extent the following language is not consistent with the provisions of Paragraph 3 of the Enabling Declaration, the following language shall replace Paragraph 3 of the Enabling Declaration, titled: "The Buildings and Facilities":

- 4.1 The complex consists of ten (10) residential buildings containing a total of sixty (60) Units.
- 4.2 The Units in Buildings D1, D2, Q1, Q2 and Q3 have the exclusive right to use and occupy two (2) carports immediately behind their Units. The Units in the remaining buildings will have two (2) carports assigned to their respective Units. In addition to said carports, there are open parking spaces in the complex used as Common Areas.

- 4.3 The Properties also contain the following: Storage/Maintenance Building housing tools, truck etc., used for the maintenance of the complex, and a Swimming Pool and Pool House containing rest rooms and sauna for members and guests.

ARTICLE V

NATURE AND INCIDENTS OF CONDOMINIUM OWNERSHIP

- 5.1 The Project is divided into Condominium Units, each consisting of a fee simple interest in a Unit and an undivided fee simple interest in the Common Areas appurtenant to each Unit. Such undivided interest in the Common Areas are hereby declared to be appurtenant to the respective Units. The proportionate share of the Unit Owners in the Common Areas shall be fixed at an equal uniform share. The percentage of ownership in the Common Areas shall be for all purposes including, but not limited to, voting and assessment for common expense.
- 5.2 The Limited Common Areas shall consist of patios, porches, balconies, two carports per Unit, and storage or utility areas as indicated in the Map, and the same shall be used in connection with the Unit to which they appertain to the exclusion of the use thereof by the other Owners of the Common Areas except by invitation.
- 5.3 No part of a Unit or of the legal rights comprising ownership of a Unit may be separated from any other part thereof during the period of condominium ownership prescribed herein, so that each Unit, the undivided interest in the Common Areas appurtenant to such Unit, and the exclusive right to use and occupy the Limited Common Area appurtenant to such Unit, shall always be conveyed, devised, encumbered, and otherwise affected only together and may never be separated from one another. Every gift, devise, bequest, transfer, encumbrance, conveyance or other disposition of a Unit or any part thereof shall constitute a gift, devise, bequest, transfer, encumbrance, or conveyance, respectively, of the entire Unit, together with all appurtenant right created by law or by this Declaration.
- 5.4 The Common Areas shall be owned in common by all the Owners of Units, and no Unit Owner may bring any action for partition thereof.
- 5.5 Subject to the limitations contained in this Amended Declaration, any Unit Owner shall have the non-exclusive right to use and enjoy the Common Areas and shall have the exclusive right to use and enjoy the Limited Common Areas designated herein for exclusive use by such Unit Owner.
- 5.6 Each Owner shall have the exclusive right at his sole cost and expense to maintain, repair, paint, re-paint, tile, wax, paper or otherwise refinish and decorate the interior surfaces of the walls, ceilings, floors, and doors form in the boundaries of his Unit and all walls, ceilings, floors, and doors within such boundaries.
- 5.7 If any part of the Common Areas encroaches or shall hereafter encroach upon a Unit or Units, an easement for such encroachment upon the Common Areas, or upon an adjoined

Unit or Units, and easement for such encroachment and for the maintenance of the same shall and does exist. Such encroachments shall not be considered to be encumbrances either on the Common Areas or the Units. Encroachments referred to herein include, but are not limited to, encroachments caused by error in the original construction of the building on the Property, by error in the Map, by settling, rising or shifting of the earth, or by changes in position caused by repair or reconstruction of the Project or any part thereof.

- 5.8 Some of the Common Areas are or may be located within the Units or may be conveniently accessible only through the Units. The Owners of the other Units shall have the irrevocable right, to be exercised by the Board as their agent, to have access to each Unit and to all Common Areas from time to time during such reasonable hours as may be necessary for the maintenance, repair or replacement of any of the Common Areas located therein or accessible therefrom or for making emergency repairs therein necessary to prevent damage to the Common Areas or to another Unit or Units. The Board shall also have such right independent of any agency relationship. Damage to the interior of any part of a Unit or Units resulting from the maintenance, repair, emergency repair, or replacement of any of the Common Areas or as a result of emergency repairs within another Unit at the instance of the Board or of Unit Owners shall be an expense of all the Unit Owners; provided, however, that if such damage is the result of negligence of the Owner of a Unit, then such Owner shall be financially responsible for all of such damage. Such damage shall be repaired and the property shall be restored substantially to the same condition as existed prior to the damage. Amounts owing by Owners pursuant hereto shall be collected by the Board by assessment in the same manner as regular assessments are collected.
- 5.9 Each Owner shall have the right to ingress and egress over, upon and across the Common Areas necessary for access to his Unit, and to the Limited Common Areas designated for use in connection with his Unit, and each Owner shall have the right to the horizontal and lateral support of a Unit, and such rights shall be appurtenant to and pass with the title to each Unit.
- 5.10 The Board shall have a non-exclusive easement to make such use of the Common Areas as may be necessary or appropriate to perform the duties and functions which it is obligated or permitted to perform pursuant to this Amended Declaration, including the right to construct and maintain in the Common Areas maintenance and storage facilities for use by the Board.
- 5.11 All conveyances of Units hereafter made shall be construed to grant and reserve such reciprocal easements as shall give effect to the paragraphs above even though no specific reference to such easements or to those subparagraphs appears in any such conveyance.

ARTICLE VI

BOARD OF DIRECTORS RIGHTS AND OBLIGATIONS

- 6.1 The business, property and affairs of the Association shall be managed by a Board of Directors composed of five (5) members, each elected for a three (3) year term.
- 6.2 In the event that any Board member cannot fill the remaining term for which they were elected, the remaining members of the Board shall select a replacement to sit on the Board until the expiration of the term for which the member being replaced was elected. Any appointed Board member has the same authority as an elected member.
- 6.3 At the annual Owners meeting, any vacant seat on the Board shall be filled with a resident Owner elected for a three (3) year term.
- 6.4 Only Unit Owners residing in the complex shall be eligible for Board membership.
- 6.5 At the annual meeting each Unit Owner may cast one vote in favor of as many candidates for Board membership as there are seats on the Board to be filled. Cumulative voting shall not be permitted.
- 6.6 The Board shall be responsible for the exclusive management and control of the Common Areas and all improvements therein, including equipment related thereto. They shall keep the same in good, clean, attractive and sanitary condition, order and repair.
- 6.7 The Board shall be responsible for the maintenance and repair of exterior surfaces of the buildings, including without limitation:
 - (a) The painting of the same as often as necessary.
 - (b) Replacement of trim.
 - (c) Maintenance, repair and replacement of roofs.
 - (d) Maintenance and repair of other Common Areas, including utility lines, roads and fences, and all other improvements or material located within or used in connection with the Common Areas.
- 6.8 The Board may obtain and pay for the services of any person or entity to manage its affairs, or any part thereof to the extent deems advisable, as well as such other personnel as the Board shall determine to be necessary or desirable for the proper operation of the complex, whether such personnel are furnished or employed directly by the Board or by any person or entity with whom or which it contracts.
- 6.9 The Board may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Project or the enforcement of this Amended Declaration, the Bylaws, or rules adopted by the Board.

- 6.10 The Board may arrange with others to furnish lighting, heating, water, trash collection, snow removal, pool service, ground maintenance, sewer service and other common services to each Unit. The cost of such services shall be borne in monthly assessments.
- 6.11 The Board may make reasonable rules and regulations governing the use of the Units and of the Common Areas. These rules and regulations shall be consistent with the rights and duties established in the document.
- 6.12 The Board may suspend any Owner's voting rights in the meeting of Unit Owners during any period(s) which such Owner fails to comply with such rules and regulations, or with any other obligations of such owner under this document.
- 6.13 The Board may exercise any other right or privilege given to it expressly by this document or by law, and every other right or privilege reasonable to be implied from the existence of any right or privilege given to it herein or reasonable necessity to effectuate any such right or privilege.
- 6.14 Each member of the Board of Directors shall be indemnified and held harmless by the Unit Owners against all cost, expenses, and liabilities whatsoever, including but not limited to attorney fees, reasonably incurred by them in connection with any proceeding to which they may become involved by reason of there being or having been a member of said Board.

ARTICLE VII

ANNUAL OR SPECIAL ASSESSMENTS

- 7.1 The total annual assessments against all Units shall be based upon advance estimates of cash requirements by the Board of Directors to provide for the payment of all estimated expenses growing out of or connected with the maintenance and operation of the buildings and Common Area, or furnishing utility services to the Units. Estimates may include, among other things, managerial expenses, grounds maintenance, taxes and special assessments levied by governmental authorities, contractors hired by the Board, legal and accounting fees, any deficit remaining from a previous period, the addition to reserve funds and any other expenses and liabilities which may be incurred by the Board for the benefit of the Owners under or by reason of this document.
- 7.2 Annual assessments shall be made on a calendar year basis. The Board shall give written notice to each Owner as to the amount of the annual assessment with respect to their Unit not less than thirty (30) days or more than sixty (60) days prior to the beginning of the next calendar year. Each annual assessment shall be due and payable in monthly installments on the 1st day of each and every month and becomes delinquent after the 20th of each month. Owners will receive a monthly bill on or before the 1st of the month. However, an Owner's obligation to pay monthly assessments is independent of a bill being sent to or received by an Owner.

- 7.3 In addition to the annual assessments authorized hereunder, the Board may levy in any assessment year a special assessment payable over such a period as the Board may determine for the purpose of:
- (a) Defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of the Project or any part thereof.
 - (b) For any other expenses incurred or to be incurred as provided in this document. This shall not be construed as an independent source of authority for the Board to incur expenses.
- 7.4 **Creation of the Lien and Personal Obligation of Assessments.** Each Owner of any Unit by acceptance of a deed thereof, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association:
- (a) Monthly dues/assessments of charges.
 - (b) Special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The monthly and special assessments, together with interest, cost and reasonable attorney fees, shall be a charge on the Unit and shall be a continuing lien upon the property against which each such assessment is made.
 - (c) In a voluntary conveyance, the grantee of a unit shall be jointly and severally liable with the grantor for all unpaid assessments against the latter for his share of the common expenses up to the time of the grant or conveyance, without prejudice to the grantee's rights to recover from the grantor the amounts paid by the grantee.
- 7.5 **Purpose of Assessments.** The assessments levied by the Association shall be used exclusively to promote the recreation, health, improvement and maintenance in the Association and for the improvement and maintenance of the Common Area and of the Units situated upon the properties.
- 7.6 **Uniform Rate of Assessment.** Expenses attributable to the Common Areas and to the Project as a whole shall be equally apportioned among all Units. Both annual and special assessments must be fixed at a uniform rate for all Units and may be collected on a monthly basis.
- 7.7 **Date of Commencement of Annual Assessments: Due Dates.** The Boards shall fix the amount of the monthly assessments against each Unit at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every owner subject thereto. Should the Board fail to fix the amount of the monthly assessment or to send written notice of thereof thirty (30) days in advance, Unit Owners shall continue to pay the monthly assessment currently in effect until thirty (30) day notice is provided by the Board.

7.8 Effect of Nonpayment of Assessments: remedies of the Association.

- (a) **Late fees.** Each monthly assessment for Common Area fees is due on the first (1st) day of the month and shall be late if not paid by the twentieth (20th) day of the month. For all monthly assessments not paid before the twentieth day of the month, a late fee shall be assessed on the twenty-first (21st) day of the month of not more than \$25.00, as determined by a written late fee policy adopted by the Board. The Association may bring an action at law against the owner personally obligated to pay the same, or foreclose the lien against the property.
- (b) To evidence a lien for sums assessed to this section, the Board or its attorney may prepare a written notice of lien setting forth the amount of the assessment, the date due, the amount remaining unpaid, the name of the Unit Owner and a description of the Unit. Such notice shall be signed by the Board or its attorney and may be recorded in the office of the County Recorder of Davis County, Utah. No notice of lien shall be recorded until there is a delinquency in payment of the assessment.
- (c) Any lien for Common Area assessments may be enforced by judicial foreclosure by the Board in the same manner in which mortgages on real property may be foreclosed in Utah. In any such foreclosure, the Owner shall be required to pay the costs and expenses of such proceedings, the costs and expenses of filing the notice of lien and all reasonable attorney fees.
- (d) All costs, expenses and fees shall be secured by the lien being foreclosed. The lien shall also secure, and the Owner shall also be required to pay to the Association any assessments against the Unit which shall become due during the period of foreclosure.
- (e) A release of notice of lien shall be executed by the Board or its attorney and recorded in the office of the County Recorder of Davis County, Utah.
- (f) No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of their Unit. Furthermore, an Owner who is more than 30 days delinquent in the payment of assessments shall have all privileges pertaining to the Common Area suspended until all assessments have been paid in full. Suspension of privileges includes, but not limited to:
 - (i) Voting on Association business and elections;
 - (ii) Speaking at Association meetings;
 - (iii) Use of the swimming pool by Owners or their family members.

7.9 Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgages or first Deed of Trust. Sale or transfer of any Unit shall not affect the assessment lien. However, the sale or transfer of any Unit pursuant to mortgage foreclosure (Trust Deed power of sales) or any

proceeding in lieu thereof, shall extinguish the lien of such assessment as to payment which became due prior to such sale or transfer. No sale or transfer shall relieve such Unit from liability for any assessments thereafter becoming due or from the lien thereof.

7.10 Reserve Saving Funds: Safeguarding and Uses of Monies. The management of monies paid by Owners or otherwise acquired by the HOA and deposited to a savings account or certificate of deposit (CD) to defray the costs of future needs, anticipated or unanticipated, is the responsibility of the Board of Directors. The Board is responsible to oversee that the reserve fund is put into an insured interest bearing account with the highest interest available at the time. The uses of the monies are limited to major capital improvement expenses such as, but not limited to, roof replacement, fences, road repair, any major damage to buildings and grounds. The reserve fund monies may not be committed without compliance with the following:

- (a) Notice of intent to commit reserve fund monies and the proposed use to be made of such monies must be sent to all Association members no less than thirty days (30) days before any monies are legally obligated.
- (b) Reserve fund monies are to be expended in increments for each single identified need, e.g., one roofing contract, the damage from accidental discharge or overflow of water, the damage from one destructive occurrence.
- (c) In the event of sudden large scale catastrophic destruction, expenditure of reserve funds may be authorized by a vote of fifty-one percent (51%) of the Owners attending a duly called Association membership meeting.
- (d) Reserve fund monies may be used only after all applicable insurance coverages have been exhausted.

Reserve fund monies shall be an asset of Three Fountains of Bountiful Homeowners Association, accruing to the net worth and accumulated resources of the Association as a total entity.

ARTICLE VIII

USE OF CONDOMINIUM UNITS

- 8.1 Each of the 60 Units in the Project is intended to be used for single family residential housing and is restricted to such use, exception being to those who telecommunicate their work from home. As used herein "single family" shall mean:
- (a) a group of natural persons related to each other by blood or legally related to each other by marriage or adoption, or
 - (b) a group of not more than three (3) persons not all so related, inclusive of their domestic servants, who maintain a common household in a residence in the Unit.

- 8.2 There shall be no obstruction of the Common Areas by the Owners and/or their guests without the prior written consent of the Board. The Board may by rules and regulations prohibit or limit the use of the Common Areas as may be reasonably necessary for protecting the interests of all the Owners or protecting the Units or the Common Areas.
- 8.3 Nothing shall be kept or stored on any part of the Common Areas without the prior written consent of the Board, except as specifically provided herein. Nothing shall be altered on, constructed in, or removed from, the Common Areas except upon the prior written consent of the Board.
- 8.4 Nothing shall be done or kept in any Unit or in the Common Areas or any part thereof which would result in the cancellation of the insurance on the Project or any part thereof or increase of the rate of the insurance on the Project or any part thereof over what the Board, but for such activity, would pay, without the prior written consent of the Board.
- 8.5 Nothing shall be done or kept in any Unit or in the Common Areas or any part thereof which would be a violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body.
- 8.6 No damage to, or waste of, the Common Areas or any part thereof shall be committed by any Owner or any invitee of any Owner, and each Owner shall indemnify and hold the Board and the other Owners harmless against all loss resulting from any such damage or waste caused by him or his invitees.
- 8.7 No Owner shall violate the rules and regulations for the use of the Units and of the Common Areas as adopted from time to time by the Board
- 8.8 Each Owner shall keep the interior of his Unit, including, without limitations, interior walls, windows, glass, ceilings, floors and permanent fixtures and appurtenances thereto, in a clean, sanitary and attractive condition, and good state of repair.
- 8.9 No structural alterations to any Unit shall be made, and no plumbing, electrical or similar work within the Common Areas shall be done, by any Owner without the prior written consent of the Board.
- 8.10 **Nuisances.**
- (a) No noxious, destructive or offensive activity shall be carried on in any Unit or in the Common Areas or any part thereof, nor shall anything be done therein which may be or may become an annoyance or nuisance to any other Owner or to any person at any time lawfully residing in the Project.
 - (b) No clothes drying or storage of any articles which are unsightly in the opinion of the Board will be permitted on Unit patios and or balconies, or in the Common Areas.

- (c) No automobiles, trailers, boats or other vehicles may be stored on the streets in front of or in back of the Project.
- (d) No work, maintenance or repair of automobiles may be done in the Common Area, including but not limited to the streets, storage yard and building or Unit parking areas, except Unit Owners *only* can use the storage yard area to do needed emergency minor vehicle adjustments, which adjustments do not include repairs or services such as, but not limited to, oil changes, brake jobs, tune ups, rotating of tires, etc.

8.11 **No Discrimination.** Three Fountains of Bountiful is committed to following the state and federal law regarding all requirements of the Fair Housing Act and the American's with Disabilities Act, including but not limited to those provisions dealing with parking, pets (including service animals and assistance animals), and housing, and does not discriminate based on race, sex, religion, color, national origin, disability, source of income or familial status. Three Fountains of Bountiful shall make reasonable accommodations in rules, policies, practices, or services, when such accommodations may be necessary to afford a person suffering from a disability equal opportunity to use and enjoy a unit, or shall permit the disabled person the opportunity to make reasonable modifications to their unit or the common area so as to have equal opportunity and access to condominium amenities. If there is any conflict between state or federal law and the Three Fountains of Bountiful Covenants, Conditions and Restrictions, or its Bylaws or Rules, Three Fountains of Bountiful will follow the provisions of the state and federal law.

8.12 **Storage Yard.**

- (a) A storage yard area is provided for any recreational vehicles to be stored at a nominal cost to the Owner. Any Owner who stores a vehicle in the storage area waives any claim against the Association for damage done to a vehicle. The Association maintains no security over the storage yard area and has no duty greater than that of the vehicle owner to protect a vehicle from damage or vandalism.
- (b) The storage building is not available for Owners to use or store excess personal property. Only grounds people and Board members are allowed in the work/storage building. Any person with a key to said building is restricted to not loaning their key to any family member or neighbor.

8.13 **Animals.**

- (a) Owners of units at Three Fountains may own and keep pets only as provided in this Section.
- (b) No more than two cats may be kept in a Unit at Three Fountains Condominium, and only upon the written approval of the Board, which shall be granted when a unit owner agrees to abide by the provision set forth in the Pet Ownership

Agreement. The Board may refuse any request to admit a cat into the condominium if the applicant refuses to enter into a written Pet Ownership Agreement.

- (c) Under no circumstances may a pet reside at Three Fountains or shall the Board approve any application to bring a pet to Three Fountains unless the provisions contained in the Pet Ownership Agreement are first agreed to in writing by the resident making the application.
- (d) The Board shall have authority to order the removal of any cat if, at any time, the resident possessing the cat fails to live up to the representations made in the Pet Ownership Agreement or if the resident fails to execute a Pet Ownership Agreement. Each cat shall be properly licensed by the appropriate licensing agency. Any cat residing at Three Fountains that demonstrates aggressive or threatening behavior towards humans or other animals shall be removed from Three Fountains within three days of receiving written notice from the Board. The cat owner shall have the right to a hearing before the Board if requested within the three days, at which hearing the cat owner may appeal the Board's decision and present facts and circumstances demonstrating that the pet is not aggressive or threatening.
- (e) Other than cats, no other animals, livestock or poultry, including dogs, will be allowed, raised, bred or kept in any unit (with the exception of small birds and small quiet children's pets, e.g. hamsters) or in the general or limited common areas and facilities.

ARTICLE IX

PROPERTY RIGHTS

- 9.1 **Owners' Easements of Enjoyment.** Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Unit, subject to the following provisions:
- (a) The right of the Association to charge reasonable assessments and other fees for the maintenance of any improvements situated upon the Common Area, or any portion thereof.
 - (b) The right of the Association to enforce the payment by any Owner of the assessments made herein in accordance with the provisions herein.
- 9.2 **Delegation of Use.** Owners may delegate their right of enjoyment to the Common Area and facilities to the members of their family, tenants, or contract purchasers who reside on the property.

ARTICLE X

MEMBERSHIP IN THE ASSOCIATION AND VOTING RIGHTS

- 10.1 Every Owner of a Unit which is subject to assessment shall be a member of the Association. Membership shall belong to and may not be separated from ownership of any Unit which is subject to assessment.
- 10.2 Members of the Association shall all be Owners. Owners shall be entitled to one vote per unit owned. When more than one person holds an interest in a Unit, all such persons shall be members. The vote for such Unit shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Unit.

ARTICLE XI

EXTERIOR MAINTENANCE

- 11.1 In addition to maintenance upon the Common Area, the Association shall provide exterior maintenance upon each building which is subject to assessment hereunder, as follows: paint, repair, replacement and care of roofs, gutters, downspouts, exterior building surfaces, trees, shrubs, grass, walks, and other exterior improvements. Such exterior maintenance shall not include glass surfaces, entry doors, including sliding doors, ice and snow removal from Owners' Unit balconies or patios.
- 11.2 Responsibility for building, Common Area or Unit maintenance, repair and replacement shall be assigned to the Association or to the Unit Owners according to the Building Maintenance Chart attached hereto as Exhibit "D". Should any provision the Amended Declaration be in conflict with or contrary to Exhibit "D", this Exhibit "D" shall control.
- 11.3 Except to the extent that the Association is protected by insurance against such injury, a Unit Owner shall repair all injury or damages to the Unit or Project caused by the act or negligence of a Unit Owner, or a lessee or any member of a Unit Owner's family or the family of any lessee. In the event that the need for maintenance or repair of Common Area or a Unit is caused through the willful or negligent acts of an Owner, or through the willful or negligent acts of the family, guests or invitees of an Owner of the Unit needing such maintenance or repair, the cost of such maintenance or repair shall, to the degree it is not covered by the Association's insurance, be added to and become part of the assessment to which such Unit is subject.

ARTICLE XII

ARCHITECTURAL CONTROL

- 12.1 No fence, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony

of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association.

12.2 **Patio Covers.** Patio covers may be installed at a Unit Owner's sole expense only upon the advance written approval of the Board, which approval shall not be given until after the Board has received, reviewed and approved written architectural plans and drawings provided by the requesting Unit Owner, and which architectural plans must conform with the following conditions:

- (a) The size of the patio cover cannot exceed the present patio area in length or width.
- (b) The permanent addition of studded walls covered by siding is not permissible.
- (c) The patio cover must be structurally sound and attractive, and the patio color(s) must coordinate with presently used coloring.
- (d) The Unit Owner shall be responsible for any damage to the patio cover due to wind, storms, etc., and the Association shall have no responsibility to pay for any expenses incurred in connection with the patio cover.
- (e) The Unit Owner shall be responsible to maintain, replace and repair the patio cover.

ARTICLE XIII

ASSOCIATION INSURANCE RESPONSIBILITY

13.1. **Needed Insurance.** The Board of Directors shall obtain and keep in full force and effect at all times the following insurance coverage provided by companies authorized to do business in the State of Utah. The Board shall obtain such amounts as shall provide for full replacement thereof in the event of damage or destruction from the casualty against which such insurance is obtained.

- (a) Such insurance shall include fire and extended coverage, sudden and accidental discharge of overflow of water, theft, vandalism, and malicious mischief.
- (b) Other such risks and hazards which the Board shall deem it appropriate to provide insurance protection.
- (c) The Board shall purchase broad form comprehensive liability coverage in such amounts and in such forms as it deems advisable to provide adequate protection.
- (d) The Board shall purchase worker's compensation and employer's liability and all other similar insurance in respect to employees. This does not apply to independent contractors who must carry their own insurance and sign a liability

waiver with the Board. However the Board must verify that all independent contractors carry proper insurance.

- (e) Purchase of insurance in such amounts and in such forms as deemed appropriate coverage against dishonesty of Board members, employees, destruction or disappearance of money or securities, and forgery.
 - (f) The Board of Directors may obtain insurance against such other risks, of similar or dissimilar nature, as it shall deem appropriate.
- 13.2 The Board may comply with the above requirements by the purchase of blanket coverage and may elect such 'deductible' provisions as in the Board's opinion are consistent with good business practice.
- 13.3 The proceeds of any insurance collected shall be available to the Three Fountains Bountiful Board for the purpose of repair or reconstruction after a catastrophic occurrence. If the proceeds are insufficient to pay the estimated or actual cost of such repair or reconstruction, in compliance with the Condominium Ownership Act, Section 57-8-30 and 31, the Board of Directors may levy a special assessment sufficient to provide funds to pay such estimated or actual costs of repair or reconstruction. Further levies may be made in like manner if the amounts collected prove insufficient to complete the repair or reconstruction.

ARTICLE XIV

OWNERS' INSURANCE AND OTHER RESPONSIBILITIES

- 14.1 Owners are *required* to obtain their own owner's insurance at their expense providing coverage upon their Unit, personal property and for their own personal liability, covering such risks as they may deem appropriate.
- (a) Owners are responsible for any damage to their Unit due to fire, sudden and accidental discharge or overflow of water or other catastrophic incidence from the studs inward. This means replacement of wallboard, electrical Unit outlets, painting, carpeting, bathroom and kitchen fixtures, etc. and all other personal property that was damaged.
 - (b) The Association is responsible for rebuilding studs and repairing of electric and plumbing lines due to a catastrophic occurrence, providing it was not caused by the negligence of any Owner.
 - (c) It is the responsibility of the Owners to maintain their appliances such as, but not limited to, water heaters and water softeners. Damage done to other Owner's Units due to the faulty appliances must be paid for by the Owner of the appliance that did the damage.

- 14.2 Each Owner *must* have a working smoke alarm and should also have a carbon monoxide monitor. This is for the safety of all Owners.
- 14.3 Owners are responsible to pay their own property taxes on their Unit.
- 14.4 Owners must keep their vehicles that are parked in their assigned parking areas in running order and properly licensed at all times. Vehicles that are inoperable, unlicensed or have expired registration shall be towed from the Project at the Owner's expense if left for more than 15 days after receiving written notice from the Board.
- 14.5 Owners are required to keep sufficient heat in their Units when they are away for any length of time during the winter. This is necessary to prevent the freezing of pipes in their Unit and also neighbors who share the pipes and drains. Not abiding by this will be classed as negligence on the part of the absent Owner(s) who will be responsible for the repairing of any damage resulting from frozen pipes.

ARTICLE XV

SERVICE OF PROCESS

- 15.1 The name and address of the person authorized to receive service of process in behalf of the Association is:

Richard W. Jones, Esq.
4605 Harrison Blvd., Third Floor
Ogden, UT 84403

- 15.2 The Board shall have the right to appoint a successor substitute process agent and registered agent without the need to receive approval from the members of the Association. Such successor or substitute agent and his or her address shall be specified by an appropriate instrument filed by the Board with the State of Utah, Department of Commerce, and/or in the office of the County Recorder of Davis County, State of Utah.

ARTICLE XVI

SALE OR TRANSFER OF UNITS

- 16.1 The sale or transfer of any Unit shall include a one time transfer fee of an amount not in excess of \$100.00, as set by written policy of the Board, to cover all costs incurred by the Board for such sale. Fee will be paid for by the buyer to the Association.

ARTICLE XVII

APPLICATION

- 17.1 All unit owners, tenants, or any other person(s) who might use any of the facilities of Three Fountains of Bountiful in any manner are subject to the regulations set forth in this Amended Declaration.
- 17.2 The mere acquisition or rental of any of the Units or the mere act of occupancy or use of any of said Units or the Common Areas will signify that this Amended Declaration is accepted, ratified, and will be complied with by such persons.

ARTICLE XVIII

SEVERABILITY

- 18.1 If any of the provisions of this Amended Declaration or any paragraph, sentence, clause, phrase or word or the application thereof in any circumstance be invalidated, such invalidity shall not affect the validity of the remainder of this Amended Declaration, and the application of any such provision, paragraph, sentence, clause, phrase or word in any other circumstances shall not be affected thereby.

ARTICLE XIX

AMENDMENT OF DECLARATION

- 19.1 **Amendment Recorded.** All amendments to this Amendment or any other governing document recorded against any Unit in Three Fountains of Bountiful must be approved by two-thirds (2/3) of the Owners and shall be effective upon recordation in the Office of the County Recorder of Davis County, Utah.
- 19.2 **Consent in Lieu of Vote.** In any case in which there is an amendment, such amendment may be approved by the Owners by obtaining, with or without a meeting, consents in writing to such amendment from the Owners who collectively hold the required percentages, subject to the following conditions:
- (a) **Ninety-Day Limit.** All necessary written consents must be obtained prior to the expiration of ninety (90) days from the date the first written consent is obtained; and
 - (b) **Change In Ownership.** Any change in ownership of a Unit which occurs after a written consent has been obtained from the Owner having an interest therein shall not be considered or taken into account for any purpose and the written consent of the new Owner must be obtained.

- (c) **Revocation of Conflicting Provisions.** Any provisions in the Enabling Declaration or any amendments thereto are hereby revoked and replaced by this Article 19.

ARTICLE XX

LEASING RESTRICTIONS

WHEREAS, the Unit Owners of Three Fountains Bountiful Condominium desire to preserve and enhance the quality of life at Three Fountains Bountiful and have purchased their Units at Three Fountains Bountiful for the purpose of using their Unit as an owner occupied single family residence; and

WHEREAS, the Unit Owners believe the condominium living concept was developed to create a real property interest wherein individuals could own their own 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; and

WHEREAS, because the Unit Owners at Three Fountains Bountiful own a shared and undivided interest in the Condominium Common Area, the Common Area should be used and shared in common by those who own an interest in the Common Area and should not be used by those who do not possess an ownership interest in the Common Area; and

WHEREAS, the Unit Owners realize that the value of their Units are directly related to the ability to sell their Units, that the ability to sell their Units is directly related to the ability of prospective borrowers to obtain financing, and that underwriting standards at financial institutions and secondary mortgage markets restrict the percentage of non-owner occupied Units that can exist in a condominium; and further, when too high a percentage of non-owner occupied Units exist in a Condominium, a buyer will not be able to qualify for favorable and competitive market interest rates and financing terms, thus inhibiting a Unit Owners' ability to sell Units and depressing the value of all the Units at Three Fountains Bountiful; and

WHEREAS, the Unit Owners have determined through the years of their collective experience that Unit Owners are more responsive to the needs of the condominium community, take a greater interest and care of the Common Area, and are generally more respectful of the condominium rules;

THEREFORE, to accomplish the Unit Owners' objectives, the following amendment is adopted limiting and restricting the number of Units that may be rented at Three Fountains Bountiful Condominium:

- 20.1 **Leasing of Units.** The leasing of Units at Three Fountains Bountiful Condominium is prohibited unless the leasing is consistent with this section.

- 20.2 **Limit on Number of Rentals.** Not more than six (6) of the Unit Owners at Three Fountains Condominium shall be permitted to rent or lease their units at one time.
- 20.3 **Waiting List.** If six (6) of the units are leased or are occupied by a non-Unit Owner, any Unit Owner desiring to lease his or her Unit or to have his or her Unit occupied by non-Unit owner shall notify the Board in writing of their desire to lease their Unit. The Board shall maintain a list of those Unit Owners who have notified it of a desire to lease their Unit and shall grant permission to Units Owners to lease their Unit in the same order the Board receives written notice from the Unit Owners, but such permission shall not be granted until less than six (6) of the Units are leased or occupied by a non-Unit Owner.
- 20.4 **One-Year Minimum.** Any Unit Owner who receives title to a Unit after the effective date of this Amendment, must live in the Unit for a minimum of one years before the Unit Owner may lease the Unit.
- 20.5 **Exceptions.** The restrictions herein shall not apply if a Unit Owner moves from his or her Unit (a) due to temporary military, humanitarian, religious or charitable activity or service, and (b) lease his or her Unit with the intent to return to occupy his or her Unit when the military, humanitarian, religious or charitable service has concluded. Nor shall the restrictions herein apply if a parent or child leases their Unit to a family member. For purposes of this section, family member includes the following: parent, child, grandparent, grandchild, or siblings of the same.
- 20.6 **Violations.** Any Unit Owner who violates this section shall be subject to a complaint for damages and/or an injunction and order seeking to terminate the lease in violation of this section. If the Three Fountains of Bountiful Condominium Board is required to retain legal counsel to enforce this section, with or without the filing of legal process, the violating Unit Owner shall be liable for all attorney fees and court costs incurred by the Board in enforcing this section.

EFFECTIVE DATE

This amendment shall take effect upon recordation.

EXHIBIT "A"Legal Description of existing Units at
Three Fountains Bountiful Condominium

Building	Units	Land Serial Numbers
D-1	A-B	[03-079-0001 through 03-079-0002]
D-2	A-B	[03-079-0003 through 03-079-0004]
E-1	A-H	[03-079-0005 through 03-079-0012]
E-2	A-H	[03-079-0013 through 03-079-0020]
E-3	A-H	[03-079-0021 through 03-079-0028]
E-4	A-H	[03-079-0029 through 03-079-0036]
Q-1	A-D	[03-079-0037 through 03-079-0040]
Q-2	A-D	[03-079-0041 through 03-079-0044]
Q-3	A-D	[03-079-0045 through 03-079-0048]
T-1	A-L	[03-079-0049 through 03-079-0060]

EXHIBIT "B"

ARTICLES OF INCORPORATION

ARTICLES OF INCORPORATION
FOR
THREE FOUNTAINS OF BOUNTIFUL
HOMEOWNERS ASSOCIATION, INC.

WE, THE UNDERSIGNED NATURAL PERSONS, all being of the age of eighteen years or more, acting as incorporators under the Utah Revised Nonprofit Corporation Act, adopt the following Articles of Incorporation:

Name. The name of the Corporation is THREE FOUNTAINS OF BOUNTIFUL HOMEOWNERS ASSOCIATION, INC. (herein referred to as the "Association").

Duration. The duration of the Association shall be perpetual, unless dissolved by the action of the Association or by operation of law.

Purposes. The purposes of the Association are to function in behalf of the members of the Three Fountains of Bountiful Homeowners Association located in Davis County, Utah, and to enforce the Covenants, Conditions and Restrictions as set forth in the Enabling Declaration for Three Fountains Bountiful and any amendments thereof, and to provide the other services and perform all of the other functions set forth in the Enabling Declaration and any amendments thereof, and as may become desirable or necessary for the benefit of the members. The Association shall have all powers, rights, and privileges available to corporations under the laws of the State of Utah.

Membership/Stock. The Owners of the Association shall be the Owners of Units in all of Three Fountains of Bountiful, located in Davis County, Utah. Membership is appurtenant to the Unit, and shall pass automatically to the owner of that Unit upon conveyance of title. There shall be issued 60 shares in the Association. The Unit Owners shall have an interest in the Association as described below:

The Association shall have one (1) class of membership--Class A, described more particularly as follows:

1. **Class A.** Class A Members shall be all Owners. Class A Members shall be entitled to vote on all issues before the Association, subject to the following:
 - a. **Voting.** Each Unit Owner shall have one vote as provided in the Three Fountains of Bountiful Homeowners Association Declaration and Bylaws.
 - b. **Subject to Assessment.** No vote shall be cast or counted for any Unit not subject to assessment;
 - c. **Multiple Owners.** When more than one (1) person or entity holds such

interest in a Unit, the vote for such Unit shall be exercised as those persons or entities themselves determine and advise the Secretary of the Association prior to any meeting. In the absence of such advise, the vote of the Unit shall be suspended in the event more than one (1) person or entity seeks to exercise it.

- d. **Number of Shares.** The Association is authorized to issue up to 60 shares of Class A stock.
2. Class A shares shall have unlimited voting rights.
 3. The owners of Class A shares shall be entitled to receive the net assets of the Association upon dissolution.

Registered Agent. The registered agent for the Corporation is:

Richard W. Jones, Esq.
4605 Harrison Blvd., Third Floor
Ogden, UT 84403

Acceptance of Appointment

I, Richard W. Jones, hereby accept the appointment as the registered agent for the Three Fountains of Bountiful Homeowners Association, Inc.



[signature of registered agent]

Bylaws. Bylaws have been adopted in accordance with the Amended Declaration for Three Fountains of Bountiful. The Association hereby adopts the Bylaws attached as Exhibit "C" of the Amended Declaration for Three Fountains of Bountiful. Hereafter, bylaws may be adopted, amended, or replaced by the vote of members.

Address of Association's Registered Office. The principal place of business of the Corporation, and its initial offices are located at 364 Peach Lane, Bountiful, Utah 84010. The Association may establish such other offices and locations as it deems appropriate for the operation of its business.

Distributions. No part of the net earnings of the Association shall inure to the benefit of, or be distributable to its directors, officers, or other private persons, except that the Association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes as set forth above.

Dissolution. Upon the dissolution of the Association, assets shall be distributed to the members of the Association on the same percentage as votes and assessments are allocated and as set forth in the Three Fountains of Bountiful Homeowners Association Amended

Declaration and Bylaws.

Board of Directors. There will initially be five (5) Directors of the Association, provided, however, the Board of Directors may consist of a greater number Directors than five as determined by the members in a duly called meeting and by a amendment of the Enabling Declaration. The initial Board of Directors, who will serve until the election of officers and Directors at the first annual member's meeting, are:

<u>Name</u>	<u>Address</u>
John Matthews	272 Peach Lane, Bountiful, UT 84010
Norma Gneiting	301 Peach Lane, Bountiful, UT 84010
Irene Witmer	297 Peach Lane, Bountiful, UT 84010
Marilyn Tovey	295 Peach Lane, Bountiful, UT 84010
Arlene Hinman	275 Peach Lane, Bountiful, UT 84010

The Directors will elect one of them to act as Chairman until the first annual member's meeting.

Officers. The initial officers of the Association are:

President - John Matthews
 Vice pres - Norma Gneiting
 Secretary - Irene Witmer

Annual Meeting. The annual meeting of the members shall be held on the second or third week of January of each year; however, the Board of Directors may by resolution fix the date of the annual meeting on such date and at such place as the Board may deem appropriate.

Limitations on Liability. The Officers, Directors, and Members of the Association shall not be held personally liable for the debts and obligations of the Association.

Incorporators. The incorporators of the Association are:

John Matthews	272 Peach Lane, Bountiful, UT 84010
Norma Gneiting	301 Peach Lane, Bountiful, UT 84010
Irene Witmer	297 Peach Lane, Bountiful, UT 84010
Marilyn Tovey	295 Peach Lane, Bountiful, UT 84010
Arlene Hinman	275 Peach Lane, Bountiful, UT 84010

Amendment. These Articles of Incorporation may be amended from time to time as authorized by the Amended Declaration and as permitted by law.

In Witness Whereof, we, John Matthews, Norma Gneiting, Irene Witmer, Marilyn Tovey and Arlene Hinman, have executed these Articles of Incorporation in duplicate this 19 day of November, 2008, and say: That we are the incorporators herein; that we have read the above and foregoing Articles of Incorporation; that we know the contents thereof and

EXHIBIT "C"

BYLAWS

**BYLAWS
FOR
THREE FOUNTAINS OF BOUNTIFUL
HOMEOWNERS ASSOCIATION, INC.**

**I
IDENTITY**

- 1.1 These are the Bylaws of the Three Fountains of Bountiful Homeowners Association, Inc., ("Association") also known as Three Fountains Bountiful HOA.
- 1.2 Capitalized words used herein shall have the same meaning as defined in the Restated Declaration of Three Fountains of Bountiful which was adopted at the same time these Bylaws were adopted.

**II
APPLICATION**

- 2.1 All Unit Owners, tenants, or any other person who might in any manner use the facilities at Three Fountains of Bountiful are subject to the regulations set forth in these Bylaws.
- 2.2 The mere acquisition or rental of any of the Units or the mere act of occupancy or use of any of said Units or the common areas will signify these Bylaws are accepted, ratified, and will be complied with by such persons.

**III
ADMINISTRATION**

- 3.1 **Place of Meetings.** Meetings of the Unit Owners shall be held at such place within the state of Utah as the Board of Directors may specify in the notice, except as herein otherwise specified.
- 3.2 **Annual Meetings.** The annual meeting shall be held during the second or third week of January of each year; however, the Board of Directors may by resolution fix the date of the annual meeting on such date and at such place as the board may deem appropriate.
- 3.3 **Special Meetings.** Special meetings of the Unit Owners may be called at any time by written notice served by the Board of Directors, delivered not less than seven (7) days prior to the date fixed for such meeting. Special meetings of the Unit Owners may also be called at any time upon written request of one-half (1/2) of all of the Owners who are entitled to vote. Such meeting shall be held at a place as the Board may specify and the notice thereof shall state the place, date, time and matters to be considered.

- 3.4 **Notices.** Any notice permitted or required by the Board as provided herein may be delivered either personally or by mail addressed to the Owner's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day, and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.
- 3.5 **Quorum.** At any meeting of the Unit Owners, fifty-one (51%) percent of those present, including absentee ballots, shall constitute a quorum for any and all purposes, except where by express provisions a greater vote is required.
- 3.6 **Voting.** A quorum shall consist of Unit Owners representing at least fifty-one (51%) percent of the Owners present in person or represented by absentee ballot at any meeting. When a quorum is present, a vote of a majority of the Unit Owners present in person or represented by absentee ballot shall decide any question of business brought before such meeting unless a different percentage is provided herein.

Any business matter pertaining to the welfare of the complex requiring a vote will be conducted in the following manner: each Unit will have one vote which may be cast in person or absentee ballot when needed. Absentee ballots shall be in writing and shall be delivered in a sealed envelope to the HOA Mail Box #364 at least three (3) days prior to said meeting. The same rules apply to special Unit Owners' meetings and must be of record with the HOA at least three (3) days prior to said special meeting.

IV BOARD OF DIRECTORS

- 4.1 **Purpose and Powers.** The business, property and affairs of the Homeowners Association (HOA) shall be managed and governed by the Board of Directors according to the provisions of these Bylaws and the Restated Declaration. Members of the Board shall be elected from among Unit Owners who reside full time in a Unit at Three Fountains of Bountiful. It is the responsibility of all present and future Board members to oversee the maintenance of the grounds, buildings, fences, gates, pool, sidewalks and curbs, etc., on a yearly basis, thus protecting the investment of the Owners. The Board, as it deem advisable, may enter into such management agreement or agreements with a third person, firm, or corporation to act as the manager of the complex.
- 4.2 **Regular Meetings.** A regular annual meeting of the Board of Directors shall be held immediately after the adjournment of each annual Unit Owners' meeting. Regular meetings, other than the annual meeting may be held at intervals at such places and at such times as the Board of Directors deems necessary.
- 4.3 **Special Meetings.** Special meetings of the Board shall be held whenever called by the president, vice president, or by three or more members. By unanimous consent of the Board, special meetings may be held without call or notice at any time or place.

- 4.4 **Quorum.** A quorum for the transaction of business at any meeting of the Board shall consist of a majority of the members then in office.
- 4.5 **Compensation.** Members of the Board shall not receive any stated salary nor compensation for their duties as members or officers. Nor can they sub-contract themselves to perform any paid service for the HOA.
- 4.6 **Adjournments.** The Board may adjourn any meeting from day to day or for such other time as may be prudent or necessary.
- 4.7 **Fidelity Bonds.** The Board of Directors requires that all officers and employees of the Board handling or responsible for funds shall have adequate fidelity bonds. The premium on such fidelity bonds shall be paid by the Association.
- 4.8 **Removal of Board Members.** All Board Members shall be subject to removal, for cause, at any time by the affirmative vote of the majority of the members of the Association. The members of the Board may remove a Board Member who is not qualified to serve by reason of not attending three consecutive meetings, or not attending at least 75% of all meetings of the Board.

V

OFFICERS

- 5.1 **Designation and Election.** The principal officers of the Board of Directors shall be a President, Vice President and a Secretary, all of whom shall be elected by and from the managing Board. The Board may make an appointment of an assistant secretary and such other officers as in its judgment may be necessary or desirable.
- 5.2 **Other Officers.** The Board may appoint such other officers in addition to the officers herein above expressly named, as it shall deem necessary, who shall have authority to perform such duties as may be prescribed from time to time by the Board.
- 5.3 **Removal of Officers.** All Board officers shall be subject to removal, with or without cause, at any time by the affirmative vote of the majority of the then members of the Board.
- 5.4 **President.** The President shall be the chief executive of the Board, and shall exercise general supervision over its property and affairs. He/she shall sign on behalf of the HOA all instruments and contracts of material importance to its business, shall do and perform all acts and things which the Board may require of him/her. The President shall preside at all meetings of the Unit Owners and of the Board. He/she shall have all of the general powers or duties which are normally vested in the office of the president of a corporation, including but not limited to the power to appoint committees from among the Board members from time to time as he/she may, in his/ her discretion, decided to appropriate to assist in the conduct of the affairs of the HOA.

- 5.5 **Vice President.** The Vice President shall take the place of the President and shall perform his/her duties whenever the president shall be absent, or unable to act. If neither the President or Vice President is able to act, the Board shall appoint some other member thereof to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be prescribed by the Board.
- 5.6 **Secretary.** The Secretary shall keep the minutes of all meetings of the Board of Directors and of the Unit Owners. He/she shall have charge of the books and papers as the Board may direct; and he/she shall in general, perform all the duties incident to the office of Secretary.
- 5.7 **Compensation.** No compensation shall be paid to the officers for their services as officers. No remuneration shall be paid to an officer for services performed by him/her for the Board in any other capacity including sub-contracted work.

VI ACCOUNTING

- 6.1 **Accounting by Board.** The Board shall have responsibility for the funds and security of the Association's finances, and shall be responsible for keeping full and accurate accounts of all receipts and of all disbursements in books belonging to the Association. The Board shall be responsible for the deposit of all monies and all other valuable effects in the name, and to the credit of the Association in such depositories as may be from time to time designated by the Board. The Board may retain outside professionals or trained personnel to assist in fulfilling the duties described herein.
- 6.2 **Books and Accounts.** The books and accounts of the HOA shall be kept under the direction of the Board and within the reasonable standard of accounting procedures.
- 6.3 **Report.** At the close of each accounting year, the books and records of the HOA should be reviewed by a person or firm.
- 6.3.1 Report of such review shall be prepared and submitted to the Unit Owners after the annual meeting.
- 6.3.2 Certified audit by a Certified Public Accountant approved by the Owners shall be made if at least fifty-one (51%) percent of the owners indicate their request of such an audit. Owners can conduct a survey to this end.
- 6.4 **Inspection of Books.** Financial reports, such as are required to be furnished, shall be available from the Association for inspection at reasonable times by any Unit Owner. An annual financial report is to be made available for any Owner who requests one.

**VII
BUILDING RULES**

- 7.1 The Board of Directors shall have the power to adopt and establish, by resolution, such building, management and operational rules and regulations as it may deem necessary for the maintenance, operation, management and control of the Association, and it may from time to time by resolution, alter, amend, and repeal such rules and regulations. Unit Owners shall at all times abide with such rules and regulations and use their best efforts to see that they are faithfully observed by their lessees and the persons over whom they have or may exercise control or supervision, it being clearly understood that such rules and regulations shall be binding upon all Unit Owners of the HOA.
- 7.2 No Owner may rent/lease their Unit to another party except as provided in the Restated Declaration.

**VIII
AMENDMENT OF BYLAWS**

- 8.1 These Bylaws may be amended at any duly constituted meeting of the Unit Owners called for that purpose by an affirmative vote of at least fifty-one percent of all the Unit Owners of the Association, who may be present by absentee ballot or in person.

EXHIBIT "D"

BUILDING MAINTENANCE CHART

The following chart shows the division of responsibility for maintenance and repair of Common Area and Units between the Three Fountains of Bountiful Homeowners Association and the Unit Owners.

	EXTERIOR	HOA	OWNER
1	Maintenance, repair and paint roof and siding.	X	
2	Maintenance and repair of exterior brickwork and chimneys.	X	
3	Maintenance and repair of front steps and sidewalk	X	
4	Maintenance and repair of concrete foundations and entrees.	X	
5	Maintenance and repair of patio and deck floor support structures.	X	
6	Maintenance, replacement and repair of patio covers		X
7	Maintenance and repair of original fences.	X	
8	Maintenance and repair of rain gutters and down spouts.	X	
9	Painting and repair of patios, decks & balconies.	X	
10	Replacement, maintenance and repair of doors, hinges, frames, thresholds, locks, doorbells and chimes		X
11	Replacement, maintenance and repair of garage floors and doors.	X	
12	Replacement, maintenance and repair of windows, sliding glass doors, screens and frames.		X
13	Replacement, maintenance and repair of all lights attached to the exterior walls.	X	
14	Maintenance of gas and electricity connections from the meters to the unit.	X	
15	Maintenance of water system from the outside entry through the foundation throughout the unit.		X
16	Replacement and repairs to outside water spigots and bibs.	X	
17	Replacement, repair and maintenance of phone lines, TV cables, air conditioning, heat pumps.		X
18	Unit owner improvements: skylights, solar panels, windows, awnings, attic vents and similar items.		X
19	Painting the exterior front and back doors	X	

	INTERIOR	HOA	OWNER
20	All interior painting, decorations and furnishings from the inside of the unfinished walls and ceilings. This includes all appliances such as dishwashers, garbage disposals, ranges, refrigerators, furnaces, exhaust fans, attic vents, air conditioners, water heaters, and intercom, telephone, and computer networks.		X
21	Maintenance, cleaning and repair of venting, chimneys and fireplaces.		X
22	Maintenance, repair and replacement of the electrical system to the city electric meter.	X	
23	Maintenance, repair and replacement of the electrical system from the electric meter to all outlets including switches and light fixtures.		X
24	Maintenance, repair and replacement of plumbing fixtures such as sinks, basins, toilets and all interior pipes and valves serving only that unit.		X
25	Repair of cracks or other damage to interior walls, floors or ceilings caused by normal unit settling.		X
26	Repairs of damage resulting from surface water.		X

	GROUNDS	HOA	OWNER
27	Lawn, flowers, trees and shrubs in the common areas.	X	
28	Flowers and shrubs in limited common areas.		X
29	Lawn watering system.	X	
30	Snow removal: (front porch & steps, sidewalks to front door)	X	
31	Snow removal. (Roadways, parking areas, sidewalks)	X	
32	Roadways, parking lots, curbs and gutters, sidewalks and steps.	X	

	OTHER	HOA	OWNER
33	Maintenance and repair of swimming pool	X	
34	Garbage collection.	X	
35	Maintenance and repair of water system from the city water meter to the entrance to the exterior wall of each unit.	X	