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LINDA B. BROWN
UTAH COUNTY RECORDER
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Linda B. Brown

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF
COLONIAL PINES CONDOMINIUM

This Declaration made at the date hereinafter set forth by Oral T. Dalton and Bonnie B. Dalton, hereinafter referred to as "Declarant."

WITNESSETH:

WHEREAS, Declarant is the owner of certain real property located in Utah County, State of Utah which is more particularly described on Exhibit "A", attached hereto, and

WHEREAS, Declarant intends to construct buildings and other improvements upon said land as condominium units to be known as Colonial Pines Condominium.

NOW, THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions which are for the purpose of protecting the value and desirability of the real property and amenities which shall run with the land and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors, and assigns and shall inure to the benefit of each owner thereof.

ARTICLE I
DEFINITIONS

As used herein or elsewhere in the Condominium Documents, unless otherwise provided, or unless the context requires otherwise, the following terms shall be defined as in this Article provided.

1. Unit: Any one of those parts of the buildings which are separately described on the Record of Survey Map.

2. Unit Owner: The person, persons or entity holding title in fee to a Unit in the Condominium Project and an undivided interest in the common areas and facilities as shown in the records of the County Recorder of Utah County, Utah.

BOOK 2159 PAGE 408

3. Assessment: That portion of the cost of maintaining and managing the property which is to be paid by each unit owner as set forth in Article VII hereof.

4. Association: Colonial Pines Owners Association, Inc. and its successors, a non-profit corporation duly organized under the laws of the State of Utah, with its principal place of business at American Fork, Utah. Copies of the By-laws of the corporation and certain of its rules and regulations are annexed hereto and made a part hereof as exhibits.

5. Board of Directors: Shall mean and refer to the governing Board of the Association. The term "Board of Directors" as used in the condominium documents shall be synonymous with the term "Management Committee" as used in the Utah Condominium Ownership Act.

6. Building: The structure or structures containing the units located on the property.

7. Property: Shall mean and refer to that certain real property hereinbefore described. Said property shall be governed by the provisions of the "Condominium Ownership Act" of the State of Utah (Title 57-8-1 et seq., as amended).

8. Common Areas and Facilities: The common areas and facilities are that part of the property which is not within the units as such units are shown on the Record of Survey Map or which exist within the units by virtue of an easement herein created.

9. Common Expenses: The actual estimated costs of:

a. Maintenance, management operation, repair and replacement of the common areas and facilities and those parts of the units as to which, pursuant to other provisions hereof, it is the responsibility of the Association to maintain, repair and replace; and adequate reserves to assure payment of the above costs;

b. Management and administration of the Association, including without limiting the same to compensation paid by the Association to a managing agent, accountants, attorneys, and other employees;

c. All liens of any nature, including taxes and special assessments levied by government authority which are liens upon more than one unit or upon any portion of the common areas; however, taxes on individual units are the duty of the individual unit owner(s);

d. Any other items held by or in accordance with other provisions of this Declaration or the corporation By-laws to be common expense.

11. Limited Common Area: Limited common areas shall mean those common areas designated in the Declaration and shown on the Record of Survey Map as reserved for use of certain unit(s) to the exclusion of other units. Limited common areas include the stairways and balcony areas for the upper story units, the patio and yard areas for the lower story units, and the assigned parking spaces.

12. Condominium Documents: This Declaration and Exhibits annexed hereto as the same from time to time may be amended.

Exhibit "A" Legal description of land comprising the Condominium;

Exhibit "B" The Record of Survey Map certifying that the plat fully and accurately depict the layout, location, unit number and dimensions of the units as built;

Exhibit "C" A schedule of parking spaces as assigned to each unit;

Exhibit "D" By-laws of Colonial Pines Owners Association, Inc.; and

Exhibit "E" Regulations of the Common Areas.

Exhibit "F" Maintenance Agreement.

ARTICLE II
CONDOMINIUM NAME

The name of the Condominium is: COLONIAL PINES
CONDOMINIUM.

STATEMENT OF APPLICABILITY OF THE LAWS OF UTAH. This Declaration is made pursuant to the provisions of the "Condominium Ownership Act" of the State of Utah (Title 57-8-1 et seq., as amended) and the property shall also be governed by said act.

BOOK 2159 PAGE 210

ARTICLE III
NAME OF ORGANIZATION OF UNIT OWNERS

The name of the organization of unit owners is: COLONIAL PINES OWNERS ASSOCIATION, INC., a non-profit corporation duly organized under the laws of the State of Utah with its principal place of business at American Fork, Utah County, Utah. Colonial Pines Owners Association, Inc. herein referred to as the "Association," has enacted By-laws pursuant to the Non-Profit Corporation Act of the State of Utah.

ARTICLE IV
DESCRIPTION OF BUILDINGS

The Condominium project contains two (2) buildings. Each of the buildings are identical in size and height and are constructed of masonry, brick, wood, aluminum siding, and asphalt shingle roof. The interiors are standard inside sheetrock finish. Each of the buildings are two story design with the bottom story having a full basement below ground level.

ARTICLE V
DESCRIPTION OF UNITS

Each of the buildings contain ten (10) units. Each unit has one level of living space with a kitchen, living room, dining room, two bedrooms and two full baths. The general floor plat of each unit showing the exterior dimensions of the unit are shown on the Record of Survey Map. Each unit shall have one covered parking space and one open parking space assigned to it as further shown on the Record of Survey Map.

ARTICLE VI
DESCRIPTION OF COMMON AREAS AND FACILITIES AND
PROPORTIONATE INTEREST OF EACH UNIT THEREIN

1. General Common Areas and Facilities. Except as otherwise in this Declaration provided, the common areas and facilities shall consist of the areas and facilities described in the definitions and constitute in general all of the parts of the property except the units and the permanent parking space assigned to each unit. The general common areas and facilities shall include the following whether located within the bounds of the unit or not:

- a. All structural parts of the buildings including without limitation, foundations, columns, joists, beams, supports, supporting walls, floors, ceilings and roofs;

b. Driveways, parking areas, lawns, shrubs, trees, entrance ways, exterior steps, service areas, and playground;

c. Any utility pipe or line or system servicing more than a single unit, and all ducts, wires, conduits, and other accessories used therewith;

d. All other parts of the property necessary or convenient to its existence, maintenance, and safety, or normally in common use, or which have been designated as common areas and facilities in the Record of Survey Map;

e. All repairs and replacement of any of the foregoing.

2. Use of Common Areas and Facilities. No person shall use the common areas and facilities or any part thereof in any manner contrary to or not in accordance with the rules and regulations pertaining thereto as from time to time may be promulgated by the Association.

3. Ownership of Common Areas. Each unit owner shall own an individual one-twentieth (1/20) interest in the general common area.

UNIT DESCRIPTION

1. Real Property. Each unit, together with the space within it as shown on the Record of Survey Map and together with all appurtenances thereto, together with furnace, water heater, air conditioning unit (whether contained within the unit or not), built-in appliances and plumbing fixtures, shall for all purposes constitute a separate parcel of real property which may be owned in fee simple and which may be conveyed, transferred and encumbered in the same manner as any other parcel of real property independently of all other parts of the property, subject only to the provisions of this Declaration.

2. Boundaries. Each unit shall be bounded as to both horizontal and vertical boundaries as shown on the Record of Survey Map, subject to such encroachments as are contained in the buildings whether the same exist now or are created by construction, settlement or movement of the buildings or permissible repairs, reconstruction or alterations. Said boundaries are intended to be as follows:

BOOK 2159
PAGE 212

a. Horizontal Boundaries:

(1) The upper boundary shall be the plane of the lower surface of the ceiling of the upper most living level of each unit;

(2) The lower boundary shall be the plane of the upper surface of the floor of the lower living level.

b. Vertical Boundaries:

(1) Between units: the plane formed by the center line of the wall between units;

(2) Exterior boundaries shall be the plane formed by the interior side of the wall in which windows are located.

It is not intended that the unit owners shall own the undecorated or unfinished surfaces of the perimeter walls, floors and ceilings surrounding the respective unit spaces, nor shall owners be deemed to own pipes, wire, conduits or other public utility lines running through the respective unit spaces that are utilized for, or served by, more than one unit space. The owners, however, shall be deemed to own the walls and partitions except support walls and joists that are contained in their respective units and shall also be deemed to own the inner-decorated or finished surfaces of the perimeter walls, floors and ceilings, including plaster, paint, wallpaper, floor coverings and the like.

3. Appurtenances. Each unit shall include, and the same shall pass with each unit as an inseparable appurtenance thereto, whether or not separately described, conveyed or encumbered, all of the rights, title and interest of the unit owner in the property, which shall include but not be limited to,

a. Common areas and facilities: an undivided share in the common areas and facilities, such undivided share to be that portion as set forth in Article VI hereof.

b. A license to maintain private passenger automobiles at and on parking space or spaces (in addition to the space shown on the Record of Survey Map) assigned to the unit by Declarant or by the Association, subject to the rules and regulations of the Association.

c. Easements for the benefit of the unit.

d. Association membership and funds and assets held by the Association for the benefit of the unit owners.

e. All such appurtenances, however, shall be and continue to be subject to the easements for the benefit of other units.

f. The following easements from each unit owner to each other unit owner and to the Association:

(1) Ingress and Egress. Easements through the common areas and facilities for ingress and egress for all persons making use of such areas and facilities in accordance with the terms of the condominium documents.

(2) Maintenance, Repair and Replacement. Easements through the units and common areas and facilities for maintenance repair and replacement of the units and common areas and facilities. Use of these easements, however, for access to units shall be limited to reasonable hours, except that access may be had at any time in case of emergency.

(3) Utilities. Easements through the units and common areas and facilities for the furnishing of utility services within the building.

(4) Structural Support. Every portion of a unit which contributes to the structural support of the building shall be burdened with an easement of structural support.

(5) Emergency Easements of Ingress and Egress. Easements whenever reasonably required for emergency ingress and egress.

ARTICLE VII
DESCRIPTION OF LIMITED COMMON AREAS

Except as otherwise in this Declaration provided, the limited common areas and facilities shall consist of the areas and facilities described in the definitions and the Record of Survey Map.

ARTICLE VIII
ASSESSMENTS

Assessments against the units owners shall be made and approved by the Board of Directors of the Association and paid by the unit owners to the Association in accordance with the following provisions:

1. Share of Expense. Each unit owner shall be proportionately liable for his share of the common expenses in the same percentage as his share of ownership in the general common areas and facilities and membership in the Association of unit owners.

2. Assessments Other Than Common Expenses. Any assessments, the authority to levy which is granted to the Association or its Board of Directors by the condominium documents, shall be paid by the unit owners to the Association in the proportions set forth in the provisions of the condominium documents authorizing the assessment.

3. Assessments for Common Expenses. Assessments for common expenses shall be made for the calendar year annually in advance on or before the 15th day of December and at such other and additional times and in the judgment of the Board of Directors additional common expense assessments are required for the proper management, maintenance and operation of the common areas and facilities. Such annual assessment shall be due and payable in twelve (12) equal consecutive monthly payments, on the first day of each month, beginning with January of the year for which the assessments are made. The total of the assessment shall be in the amount of the estimated common expenses for the year, including a reasonable allowance for contingencies and reserves for replacements, less the amounts of unneeded common expense account balances. If an annual assessment is not made as required, a payment in the amount required by the last prior assessment shall be due upon each assessment payment date until changed by management.

4. Assessments for Emergencies. Assessments for common expenses of emergencies which cannot be paid by the common expense account shall be made only by the Board of Directors of the Association.

5. Assessments for Liens. All liens of every nature, including taxes and special assessments levied by governmental authority which are a lien upon more than one unit or upon any portion of the common areas and facilities, shall be paid by the Association as a common expense.

6. Assessment Roll. The assessments against all unit owners shall be set forth upon a roll of the units which shall be

BOOK 2159 PAGE 215

available in the office of the Association for inspection at all reasonable times by the unit owners or their duly authorized representatives. A certificate made by the Association as to the status of the unit owner's assessment account shall limit the liability of any person for whom made other than the unit owner. The Association shall issue such certificate to such persons as a unit owner shall request in writing.

7. Liability for Assessments. The owners of a unit and his grantees shall be jointly and severally liable for all unpaid assessments due and payable at the time of a conveyance but without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee therefor. Such liability may not be avoided by a waiver of the use or enjoyment of any common areas or facilities or by abandonment of the unit for which the assessments are made. A purchaser of a unit at a judicial or foreclosure sale or a first mortgagee who accepts a deed in lieu of foreclosure shall be liable only for assessments coming due after such sale and for that portion of due assessments prorated to the period after the date of such sale. Such a purchaser as aforesaid shall be entitled to the benefit of all prepaid assessments paid beyond the date such purchaser acquired title.

8. Lien for Assessments. The unpaid portion of any assessment which is due shall be secured by a lien upon the unit and all appurtenances thereto and shall be enforced in the manner provided for the foreclosure of liens by the laws of the State of Utah. Such lien shall have priority over all other liens except liens for general taxes and first mortgages or trust deeds of record. Such a claim of lien shall also secure all assessments which come due thereafter until the claim of lien is satisfied.

9. Application.

a. Interest; Application of Payments. Assessments and installments thereof paid on or before fifteen (15) days after the date when due shall not bear interest, but all sums not paid on or before fifteen (15) days after the due date shall bear interest at the rate of eighteen percent (18%) per annum from the date when due until paid. All payments upon account shall be applied first to interest and then to the assessment payment first due. All interest collected shall be credited to the common expense account.

b. Suit. The Association at its option may enforce collection of delinquent assessments by suit at law or by foreclosure of the liens securing the assessments or by any other competent proceeding and in any event the Association shall be entitled to

BOOK 2159 PAGE 216

recover in the same action, suit or proceeding the payments which are delinquent at the time of judgment or decree together with interest thereon at the rate of eighteen percent (18%) per annum, and all costs incident to the collection and the action, suit or proceeding, including, without limiting the same to reasonable attorney's fees.

ARTICLE IX
PURPOSE AND USE RESTRICTION

The purpose of this Condominium is to provide for the operation of the property and buildings with the condominium form of ownership. In order to provide for a congenial occupation of the buildings and provide for the protection of the values of the units, the use of the property shall be restricted to be and in accordance with the following provisions:

1. No part of the properties shall be used for other than housing and the related common purposes for which the properties were designed. Each unit shall be used and occupied as a residence for a single family and for no other purpose.

2. There shall be no obstruction of the common areas and facilities nor shall anything be stored in the common areas and facilities without the prior written consent of the Association except as otherwise provided herein.

3. Nothing shall be done or kept in any unit or in the common areas and facilities which will increase the rates of insurance on the buildings or contents thereof beyond that customarily applicable for residential use, without the prior written consent of the Association. No owner shall permit anything to be done or kept in his unit or in the common areas and facilities which will result in the cancellation of insurance on any building, or the contents thereof, or which would be in violation of any law or regulation of any governmental authority. No waste shall be committed in the common areas and facilities.

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

5. No animals or birds of any kind shall be raised, bred or kept in any unit or in the common areas and facilities, except that dogs, cats and other household pets may be kept in units, subject to the rules adopted by the Association and provided that they are not kept, bred or maintained for any

BOOK 2159
PAGE 217

commercial purpose and provided further that any such pet causing or creating a nuisance or disturbance shall be permanently removed from the property after a hearing by the Association and then ten (10) days written notice from the Association.

6. No noxious, offensive, or illegal activity shall be carried on in any unit or in the common areas and facilities.

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

8. No clothes, sheets, blankets, laundry of any kind or other articles shall be hung out or exposed on any part of the common areas and facilities, except in a patio court in such manner as not to be visible except from the unit for which such courtyard is reserved. The common areas and facilities shall be kept free and clear of all rubbish, debris, and other unsightly materials.

9. No industry, business, trade, occupation, or profession of any kind, whether for commercial, religious, educational, charitable or other purposes shall be conducted, maintained, or permitted on any part of the property except such as may be permitted by the management committee and subject to the rules, nor shall any "For Sale" or "For Rent" signs or other window displays or advertising be maintained or permitted by any unit owner on any part of the property or in any unit therein, except that:

a. During the period of time that units are being sold, Declarant may maintain a sales office and/or model unit on the properties and may conduct sales activity on the property. At all times the Association of unit owners may maintain an office on the property for the purpose of conducting Association activities and business.

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

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

d. The Association of Unit Owners or its agent or representative may place "For Sale" or "For Rent" signs on any unit or on the property for the purpose of facilitating the disposal of units by any unit owners, mortgagee or the Association of Unit Owners; and

e. A unit owner with respect to a unit, and the Association of Unit Owners or its agent or representative with respect to the common areas and facilities, may perform or cause to be performed any maintenance, repair or remodeling work, required or permitted by this Declaration.

ARTICLE X
INSURANCE

The insurance which shall be carried upon the property shall be governed by the following provisions:

1. Authority to Purchase. All insurance policies upon the property shall be purchased by the Association for the benefit of the unit owners and their respective mortgagees as their interest may appear and shall provide for the issuance of certificates of insurance mortgage endorsements to the holders of first mortgages on the units or any of them, and, if insurance companies will agree, shall provide that the insurer waives its rights of subrogation as to any claims against unit owners, developer, and the Association and their respective employees, agents, and invitees.

2. Unit Owners. Each unit owner may obtain insurance, at his own expense, affording coverage upon his personal property and for his personal liability, but all such insurance shall contain the same waiver of subrogation as that referred to in Article IX, Paragraph 1 above and must be obtained from an insurance company for which the Association obtains coverage against the same risk, liability or peril, if the Association has such coverage.

3. Coverage.

a. Casualty. The buildings and all other insurable improvements upon the land and all personal property as may be owned by the Association shall be insured in an amount equal to the maximum insurable replacement value thereof as determined annually by the insurance company affording such coverage. Such coverage shall afford such protection against:

BOOK 2159
PAGE 219

(1) loss or damage by fire and other hazards covered by the standard extended coverage endorsement;

(2) such other risks as from time to time customarily shall be covered with respect to buildings similar in construction, location and use as the buildings, including but not limited to, vandalism, malicious mischief, windstorm, water and flood damage.

b. Public liability and property damage in such amounts and in such forms and shall be required by the Association including but not limiting the same to general liability, water damage, legal liability, hired automobile, non-owner automobile and off-premises employee coverages.

c. Workmens Compensation policy to meet the requirements of law.

d. All liability insurance shall contain endorsements to cover liabilities of the Association as a group to a unit owner.

4. Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association and charged as common expenses.

5. Ownership and Payment of Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association and the unit owners and their mortgagees as their respective interest may appear and shall provide that all proceeds payable as a result of casualty loss shall be paid to the Association as trustee. The Association shall hold such proceeds as may be paid on account of loss in trust for the purposes elsewhere stated herein, and for the benefit of the Association, the unit owners and their respective mortgagees as their interest may appear. If the damage for which the proceeds were paid is to be repaired or reconstructed, the proceeds shall be paid to defray the cost thereof as elsewhere provided. Any proceeds remaining after defraying such cost shall be retained by the Association or distributed to the unit owners and their mortgagees as their interest may appear. If it is determined in the manner elsewhere provided that the damage for which the proceeds are paid shall not be reconstructed or repaired, the proceeds shall be distributed to the unit owner and his mortgagee jointly.

6. Reconstruction or Repair of Casualty Damage.

a. General Common Areas and Facilities. If any party of the general common areas and facilities shall

BOOK 2159
PAGE 220

be damaged by casualty, the Association, upon input from the unit owners, shall decide whether to repair and restore the damage. The Association shall first use insurance proceeds, if any, for repairs, and each unit owner shall be liable for a pro rata assessment for any deficiency.

b. Single Unit. If the casualty damage is only to those parts of one unit for which the responsibility of maintenance and repair is that of the unit owner, then the unit owner shall be responsible for reconstruction and repair and the Association shall pay over to said unit owner all insurance proceeds received on account of such loss upon input from the unit owners.

c. Buildings. If the casualty damage affects more than one unit and contiguous common area in a building or buildings, and if less than three-fourths (3/4) of the building or buildings is destroyed or substantially damaged, the Association shall immediately proceed to repair and restore the building or buildings and all insurance proceeds shall be used therefor. Reconstruction and repair shall be carried out in the following manner:

(1) Estimate of Cost. Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance and repair, the Association will obtain reliable and detailed estimates of cost to replace the damaged property in condition as good as that before the casualty.

(2) Assessments. If the proceeds of insurance are not sufficient to defray the estimated cost of reconstruction or repair by the Association, assessments shall be made against the unit owners in sufficient amounts to provide funds to pay the estimated cost. If at any time during the reconstruction and repair, or upon completion of reconstruction or repair, it is determined that the insurance funds and assessments are insufficient to carry out restoration and repair, assessment shall be made against the unit owners in sufficient amount to provide funds for the payment of such additional costs.

(3) Damage Exceeding Three-fourths of the Building; Insufficient Insurance Proceeds for Reconstruction. If three-fourths or more of a building is destroyed or substantially damaged and if the insurance proceeds are insufficient to

reconstruct the building and if the unit owners by a vote of at least three-fourths of the unit owners do not voluntarily, within 120 days after such destruction and damage, make provision for reconstruction, the Association shall record, with the County Recorder, a notice setting forth such facts, and upon recording such notice:

(a) The property shall be deemed to be owned in common by the unit owners in said building;

(b) The undivided interest in the property owned in common which shall appertain to each unit owner shall be the percentage of undivided interest previously owned by such owner in the common areas;

(c) The property shall be subject to an action for partition at the suit of any unit owner, in which event the net proceeds of the insurance, if any, shall be considered as one fund and shall be divided among the unit owners in said building in a percentage equal to the percentage of undivided interest owned by each owner in the property after first paying out the respective shares of the unit owners, to the extent sufficient for the purposes, all liens on the undivided interest in the property owned by each unit owner.

ARTICLE XI
MAINTENANCE AND REPAIR OF UNITS

1. The Association, at its expense, shall be responsible for the maintenance, repair and replacement of:

a. all portions of the unit which contribute to the support of the building, excluding, however, interior walls, ceiling and floor surfaces, and including, without intending to limit the same to, outside walls of the building, structural slabs, roof, interior boundary walls of units and load-bearing columns;

b. all conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services which may be contained in the unit but excluding therefrom, appliances, office machinery and plumbing fixtures;

c. all incidental damage cause to a unit by such work as may be done or caused to be done by the Association in accordance herewith;

d. cause the building, appurtenances and grounds of the condominium to be maintained according to reasonably acceptable standards, including, but not limited to, lawn care, exterior cleaning, exterior painting, plumbing, carpentry, and such other normal maintenance and repair work as may be necessary;

e. make contracts for sewer, water, exterior lights, refuse collection, exterior electric service, vermin extermination, and other necessary service. Also, place orders for such equipment, tools, appliances, materials and supplies as are necessary to properly maintain the condominium;

f. cause to be placed and kept in force necessary insurance needed adequately to protect the Association, its members and mortgagees holding mortgages covering condominium parcels, as their respective interest may appear (or to require by law), including, but not limited to, public liability insurance, fire and extended coverage insurance, as is more particularly set forth in the Declaration of Condominium.

Funds for the payment of the above and foregoing shall be assessed against the unit owners as a common expense.

2. The Responsibility of the Unit Owner shall be as

Follows:

a. To maintain, repair and replace at his expense, all portions of the unit, including but not limited to exterior door and all glass doors and windows associated with the unit.

b. Not to paint or otherwise decorate or change the appearance of any portion of the building not within the walls of the unit, unless the written consent of the Association is obtained.

c. To promptly report to the Association or its agent any defect or need for repairs or maintenance, the responsibility for the remedying of which is with the Association.

d. Not to make any alterations in the portions of the unit or the building which are to be maintained by the Association or remove any portion thereof or

BOOK 2159 PAGE 223

make any additions thereto or do anything which would or might jeopardize or impair the safety or soundness of the building without first obtaining the written consent of the Board of Directors of the Association and all first mortgagees of individual units, nor shall any unit owner impair any easement without first obtaining the written consents of the Association and of the unit owner or owners for whose benefit such easement exists.

3. Nothing herein contained, however, shall be construed so as to impose a contractual liability upon the Association for maintenance, repair and replacement, but the Association's liability shall be limited to damages resulting from negligence.

ARTICLE XII
MEMBERSHIP AND VOTING RIGHTS

1. The Declarant shall have the exclusive right to name the Board of Directors of the Association until the earlier of the following events.

a. One hundred twenty (120) days after the date by which seventy-five percent (75%) of the units have been conveyed to unit purchasers; or

b. Three (3) years from the date of this Declaration (Date of Declaration is June ____, 1984).

ARTICLE XIII
MORTGAGEE PROTECTION

Unless two-thirds (2/3) of the mortgagees (based upon one vote for each first mortgage owned), or owners (other than the Declarant) of the individual condominium units have given their prior written approval, the Association shall not be entitled to:

1. By act or omission, seek to abandon or terminate the condominium project, without prior approval of the American Fork City Council.

2. Change pro rata the interest or obligation of any individual condominium unit for the purpose of:

a. levying assessments or changes or allocating distributions of hazard insurance proceeds or condemnation awards, or

BOOK 2159
PAGE 224

b. determining the pro rata share of ownership of each condominium unit in the common areas.

3. Partition or subdivide any condominium unit;

4. By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the common areas. (The granting of easements for public utilities or for other public purposes consistent with the intended use of the common areas by the condominium project shall not be deemed a transfer with the meaning of this clause.);

5. Use hazard insurance proceeds for losses to any condominium property (whether to the units or common areas) for other than the repair, replacement or construction of such condominium property, except as provided by statute, in case of substantial loss to the units and/or common areas of the condominium project;

6. A first mortgagee, upon request, is entitled to written notification from the Association of any default in the performance by an individual unit owner of any obligation to the Association by the owner which is not cured within sixty (60) days. First mortgagees may jointly or singly pay taxes or other charges which are in default and which are or may become a charge against any of the common property and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage on the lapse of a policy. First mortgagees making such payment shall be owed immediate reimbursement therefor from the Association.

ARTICLE XIV ADMINISTRATION

The administration of the property, including but not limited to the acts required of the Association, shall be governed by the following provisions:

1. The Association shall be incorporated under the name of Colonial Pines Owners Association, Inc. as a non-profit corporation under the laws of the State of Utah.

2. The By-laws of the Association shall be adopted pursuant to the Non-profit Corporation Code of the State of Utah.

3. The duties and powers of the Association shall be those set forth in this Declaration, the Articles of Incorporation and the By-laws together with those reasonably implied to effect the purposes of the Association and this Declaration; provided, however, that if there are conflicts or inconsistencies between

this Declaration or the By-laws, the terms and provisions of this Declaration shall prevail and the unit owners covenant to vote in favor of such amendments in the Articles of Incorporation and/or By-laws as will remove such conflicts or inconsistencies. The powers and duties of the Association shall be exercised in the manner provided by the Articles of Incorporation and the By-laws and any duties or rights of the Association which are granted by or to be exercised in accordance with the provision of this Declaration, shall be so exercised except that wherever this Declaration requires the act or approval of the Board of Directors of the Association, such act or approval must be that of the Board done or given in accordance with the By-laws.

4. The Association by and through its Board of Directors, is hereby vested with the power to delegate its powers, duties and authority granted by this Declaration, by entering into a management contract with such persons or organizations as the Board of Directors may elect. Subject, however, to the right granted to Declarant in this Declaration.

ARTICLE XV COMPLIANCE AND DEFAULT

Each unit owner shall be governed by and shall comply with the terms of the Condominium Documents and Regulations adopted pursuant thereto and said Documents and Regulation as they may be amended from time to time. A default shall entitle the Association or other unit owners to the following relief:

1. Legal Proceedings. Failure to comply with any of the terms of the Condominium Documents and Regulations adopted pursuant thereto, shall be ground for relief which may include, without intending to limit the same, to an action to recover sums due for damages, injunctive relief, foreclosure of lien or any combination thereof, and which relief may be sought by the Association or if appropriate, by an aggrieved unit owner.

2. All unit owners shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness or by that of any employees, invitees, agents, or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in fire insurance rates occasioned by the use, misuse, occupancy or abandonment of any unit or its appurtenances. Nothing herein contained however, shall be construed so as to modify any waiver by insurance companies of rights of subrogation.

3. Costs and Attorney's Fees. In any proceeding arising because of an alleged default by a unit owner, the prevailing party shall be entitled to recover the costs of the

BOOK 2159
PAGE 226

proceeding and such reasonable attorney's fees as may be determined by the Court.

4. No Waiver of Rights. The failure of the Association or of a unit owner to enforce any right, provision, covenant, or condition which may be granted by the Condominium Documents shall not constitute a waiver of the right of the Association or unit owner to enforce such right, provision, covenant or condition in the future.

5. All rights, remedies and privileges granted to the Association or a unit owner pursuant to any terms, provisions, covenants or conditions of the Condominium Documents shall be deemed to be cumulative, and the exercise of any one or more shall not be deemed to constitute an election of remedies nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be granted to such party the Condominium Documents or at law or in equity.

ARTICLE XVI TERMINATION

The Condominium shall be terminated, if at all, in the following manner:

1. Approval must be obtained by the American Fork City Council.

2. Seventy-five percent (75%) of the unit owners may remove all of the Condominium or a portion thereof from the provisions of the Utah Condominium Ownership Act by an instrument to the effect, duly recorded in the Utah County Recorder's Office, provided that the holders of all liens upon any of the units affected consent thereto by instruments duly recorded.

3. Destruction. If it is determined in the manner elsewhere provided that the property shall not be reconstructed after casualty, this condominium, including all units, shall be subject to partition at the suit of any unit owner. Such suit shall be subject to dismissal at any time prior to entry of an order to sell if an appropriate agreement to rebuild is filed. The net proceeds of a partition sale together with any common funds shall be divided in proportion to the unit owners' respective undivided ownership in the common areas and facilities. Upon such sale, the condominium shall be deemed removed from the provisions of the Utah Condominium Ownership Act.

4. The removal of the condominium from the provisions of the Utah Condominium Ownership Act shall not bar the subsequent resubmission of the land and buildings involved to the provisions of the act.

BOOK 2159 PAGE 227

ARTICLE XVII
LIENS

1. Protection of Property. All liens against a unit other than for mortgages, trust deeds, taxes, or special assessment will be satisfied or otherwise removed within thirty (30) days from the day the lien attaches. All taxes and special assessments upon a unit shall be paid before becoming delinquent.

2. Notice of Lien. A unit owner shall give notice to the Association of every lien upon his unit other than for trust deeds, mortgages, taxes and special assessments within five (5) days after the attaching of the lien herein.

3. Notice of Suit. Unit owners shall give notice to the Association of every suit or other proceeding which will or may affect the title to his unit or any other part of the property, such notice to be given within five (5) days after the unit owner receives notice thereof.

4. Failure to Comply. Failure to comply with this Article concerning liens will not affect the validity of any judicial sale.

ARTICLE XVIII
CONDEMNATION

Should any part of the common property or units be condemned and an award given therefor, it shall be allocated as follows:

1. If any portion of the common areas and facilities are taken by eminent domain the award for the it shall be allocated to the unit owners in proportion to their respective undivided interest in the common areas and facilities.

2. If any units are taken by eminent domain, the undivided interest in the common areas and facilities appertaining to these units shall thence forth appertain to the remaining units, being allocated to them in proportion to their respective undivided interest in the common areas and facilities.

3. Condemnation proceeding and the awards given therefor shall be governed by the provisions of Title 57-8-32.5, Utah Code Annotated, 1953.

ARTICLE XIX
COVENANTS RUNNING WITH THE LAND

1. All provisions of the Condominium Documents shall be construed to be covenants running with the land and with every

part thereof and interest therein including but not limited to every unit and the appurtenances thereto; and every unit owner and claimant of the property or any part thereof or interest therein, and his heirs, executors, administrators, successors and assigns shall be bound by all of the provisions of the Condominium Documents.

2. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the twenty (20) years period by an instrument signed by not less than ninety percent (90%) of the Unit Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Unit owners, subject to the then existing American Fork City Ordinances and the approval of the American Fork City Council. Any amendment must be recorded.

ARTICLE XX
GENERAL PROVISIONS

1. Provisions Relating to Declarant.

a. The Declarant specifically disclaims any intent to have made any warranty or representation in connection with the property or the Condominium Documents except as specifically set forth therein and no person shall rely upon any warranty or representation not so specifically made therein. Estimates of common expenses are deemed accurate, but no warranty or guaranty is made or intended, nor may one be relied upon. All warranties required by the Federal Housing Administration or the Veterans Administration shall also apply.

b. In order to maintain high standards and to assure the proper development of the Condominium, the Declarant hereby reserves for a period of three (3) years from the date of the recording of this Declaration the power to contract with persons, firms, or corporations of the Association in regard to maintenance, repair, management and operation of the Association. The management costs and fees as may be contained in such management contract shall be common expenses.

2. Service of Process. The person to receive service of process in cases provided herein or in the Utah Condominium Act is: Oral T. Dalton, whose address is 663 East 770 North, American Fork, Utah 84003. The person so designated may be changed from time to time by the Association.

BOOK 2159 PAGE 229

BOUNDARY DESCRIPTION

COMMENCING AT A POINT LOCATED 2,755.64 feet East and 535.72 feet South of the Northwest corner of Section 23, T 5 S, R 1 E, S.L.B. & M., said point being S 0° 42' 25" W 8.00 feet of the Northwest corner of Lot 4, Block 10, American Fork Survey. Plat "A";

Thence S 89 17' 35" E 432.50 feet; thence S 00 42' 25" W 190.00 feet to the South Line of Lot 11, Block 10; thence N 89 17' 35" W 20.00 feet, along above South Line to the Southwest Corner of Lot 11, Block 10; thence S 00 42' 25" W 12.00 feet along the East Line of Lot 2, Block 10; thence N 89 17' 35" W 61.71 feet; thence N 00 42' 25" E 45.00 feet; thence N 89 17' 35" W 61.71 feet, to the West Line of Lot 2, Block 10; thence N 00 42' 25" E 21.12 feet, along above line to the Southeast Corner of Lot 4, Block 10; thence N 89 17' 35" W 172.83 feet along the South Line of Lot 4, Block 10; thence N 00 42' 25" E 6.38 feet; thence N 89 17' 35" W 116.25 feet to the Eastern Right of Way of 100 West Street; thence N 00 42' 25" E 129.50 feet, along said Right of Way to the point of beginning.
Contains 1.481 acres.

3. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provision which shall remain in full force and effect.

4. Captions. Captions used in the Condominium Documents are inserted solely as a matter of convenience and shall not be relied upon or used in construing the effect or meaning of any of the text of Condominium Documents.

5. FHA/VA Approval. Until all of the units have been conveyed to unit purchasers, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: Dedication of Common Area, and amendment of this Declaration of Covenants, Conditions and Restrictions.

6. Binding Nature of Pre-existing Agreements. All documents signed by Dalton & Fullmer, a Utah Partnership, prior to the existence of Colonial Pines Owners Association, Inc. shall be binding upon the Association and are part of the conditions under which the City of American Fork has agreed to approve the annexation of the property and the approval of the private residential development.


DECLARANT:


ORAL T. DALTON


BONNIE B. DALTON

STATE OF UTAH)
 : ss
COUNTY OF UTAH)

On the 21 day of June, 1984, personally appeared before me, ORAL T. DALTON and BONNIE B. DALTON, the signers of the above instrument, who duly acknowledged to me that they executed the foregoing Declaration of Covenants, Conditions, and Restrictions.


NOTARY PUBLIC
Residing in Utah County, Utah

BOOK 2159 PAGE 231

My Commission Expires:

5 May 1988

BY-LAWS
OF
COLONIAL PINES OWNERS ASSOCIATION, INC.

ARTICLE I
NAME AND LOCATION

The name of the corporation is Colonial Pines Owners Association, Inc., hereinafter referred to as the "Association".

The principal office of the corporation shall be located at 50 South 100 West, American Fork, Utah 84003, but meeting of members and directors may be held at such places within the County of Utah, State of Utah, as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

Section 1. "Association" shall mean and refer to Colonial Pines Owners Association, Inc., its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean and refer to all real property in which the unit owners have an undivided interest.

Section 4. "Unit" shall mean any one of those parts of the buildings which are separately described on the Record of Survey Map.

Section 5. "Owner" shall mean and refer to the record owner whether one or more persons or entities, of the fee simple

title to any unit which is part of the properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 6. "Declarant" shall mean and refer to Oral T. Dalton and Bonnie B. Dalton, their successors and assigns if such successors or assigns should acquire more than one unit from the Declarant for the purpose of development.

Section 7. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the properties recorded in the Office of the County Recorder, Utah County, State of Utah.

Section 8. "Members" shall mean and refer to those persons entitled to membership as provided in the Declaration.

Section 9. "Board of Directors" shall mean and refer to the governing Board of the Association, and shall have the same rights and responsibilities as the "Management Committee" under the Utah Condominium Ownership Act.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members shall be held on June 1st at seven o'clock p.m. and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter, at the hour of seven o'clock p.m. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the president or by the Board of Directors, or upon written request of twenty-five percent (25%) of the members entitled to vote.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing

BOOK 2159
PAGE 233

a copy of such notice, postage prepaid, at least 15 days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-fourth (1/4) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon any conveyance or transfer by the member of his unit.

ARTICLE IV

BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of three (3) directors, who, with the exception of the Declarant, shall be members of the Association.

Section 2. Term of Office. At the first annual meeting the members shall elect three (3) Directors who shall serve for the ensuing year and thereafter until his successor shall have been elected and qualified.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association.

BOOK 2159
PAGE 234

However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting, by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V
MEETING OF DIRECTORS

Section 1. Regular Meetings. Regular meeting of the Board of Directors shall be held monthly at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday. Notice of the meeting shall be given to all Directors.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three (3) days notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VI
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and right to use the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration, including those vested in the Management Committee pursuant to the Utah Condominium Ownership Act;

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties. A director may serve as manager or a corporation in which a director is an interested party may also serve as manager. The manager shall be entitled to receive reasonable compensation for services performed for the Association. Before employing a manager, independent contractor, or other employee, the Federal Housing Administration or the Veterans Administration must first approve the employment agreement.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the members who are entitled to vote;

BOOK 2159
PAGE 236

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.

(4) recommend special assessments as may become necessary.

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not an assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association; and provide blanket liability and hazard insurance on all the properties and improvements thereon, if commercially available. If such insurance on the units is not available to the Association or the cost is greater than individual policies collectively, then the individual owner shall obtain such insurance and furnish the Association evidence thereof;

(f) cause the Common Area to be maintained;

(g) cause the exterior of the buildings to be maintained, as provided in the Declaration.

BOOK 2159
PAGE 237

(h) exercise all duties and responsibility of the Management Committee as set forth in the Utah Condominium Ownership Act.

ARTICLE VII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Appointment of Officers. The appointment of officers shall take place following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time given written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment of the Board. The officer appointed to such

BOOK 2159
PAGE 238

vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. A person may hold the offices of director, officer, and manager simultaneously.

Section 8. Duties. The duties of the officers are as follows:

President

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

Vice-President

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

Secretary

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

(d) The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the

BOOK 2159
PAGE 239

Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE VIII
COMMITTEES

At the discretion of the Board of Directors, Committees may be appointed to carry out the directives of the Board and to assist the Board in its corporate purposes.

ARTICLE IX
BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE X
ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of one and eighteen percent (18%) per annum and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against

BOOK 2159 PAGE 240

the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his unit.

ARTICLE XI
CONTRACTURAL LIMITATIONS

It is intended that the members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Association. It is also intended that the liability of any member arising out of any contract made by the Board or out of the indemnity in favor of the members of the Board, shall be limited to such proportion of the total liability thereunder as his interest in the common areas bears to the interest of all of the members in the common areas. Every agreement made by the Board by the managing agent, or the manager, as the case may be, are acting only as agents for the Association and shall have no personal liability thereunder (except as unit owners) and that each owner's liability thereunder shall be limited to such proportion of the total liability thereunder as interest in the common areas, thereas to the interest of all owners in the common area.

ARTICLE XII
AMENDMENTS

Section 1. These By-laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy, except that the Federal Housing Administration or the Veterans Administration shall have the right to veto amendments while Declarant controls the Association.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-laws, the Articles shall

BOOK 2159
PAGE 241

control; and in the case of any conflict between the Declaration and these By-laws, the Declaration shall control.

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting secretary of Colonial Pines Owners Association, Inc., a non-profit corporation; and

That the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 21 day of June, 1984.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 21 day of June, 1984.

Bonnie B. Dalton
SECRETARY

BOOK 2159 PAGE 242

ARTICLES OF INCORPORATION
OF
COLONIAL PINES OWNERS ASSOCIATION, INC.

We, the undersigned, natural persons of the age of twenty-one (21) years or more, acting as incorporators of a non-profit corporation under the Utah Non-Profit Corporation and Cooperative Association Act, adopt the following articles of incorporation for such corporation:

ARTICLE I

NAME

The name of the corporation is COLONIAL PINES OWNERS ASSOCIATION, INC.

ARTICLE II

TERM

The period of its duration is perpetual.

ARTICLE III

PURPOSE

The pursuit and business of the corporation and the objects and purposes proposed to be transacted, promoted and carried on by it are as follows:

1. The business of the corporation shall not be conducted for pecuniary gain or profit to the members thereof.
2. To maintain and preserve the land and premises and common areas within the certain tract of real property located in Utah County, State of Utan, and known as Colonial Pines Condominium.

3. To promote the health, safety and welfare of the unit owners of said condominium units within the condominium project as it is now constituted and any additions thereto that may hereafter be brought within the jurisdiction of the Association for this purpose to:

(a) Exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions, hereinafter called the "Declaration," applicable to the property and recorded or to be recorded in the Office of the County Recorder, Utah County, State of Utah, and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length.

(b) Fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association.

(c) Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association, subject to prior approval of the Federal Housing Administration or the Veterans Administration if Declarant controls the Association.

(d) Borrow money, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts

BOOK 2159
PAGE 244

incurred, subject to prior approval of the Federal Housing Administration or the Veterans Administration if Declarant controls the Association.

(e) Dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members, subject to the approval of the Federal Housing Administration or the Veterans Administration if the Declarant controls the Association.

(f) Participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and Common Area, subject to the approval of the Federal Housing Administration or the Veterans Administration if the Declarant controls the Association.

(g) Have and exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of Utah by law may now or hereafter have or exercise.

ARTICLE IV
MEMBERSHIP

Every person or entity who is a record owner of a unit which is subject by covenants of record to assessment by the Association, including contract buyers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of the unit which is subject to assessment by the Association. Transfer, sale, or conveyance of a unit shall also operate to transfer membership in the Association to the purchaser.

BOOK 2159
PAGE 245

ARTICLE V
VOTING RIGHTS

All unit owners shall be entitled to one (1) vote for each unit owned. When more than one person owns an interest in any unit, all such persons shall be members. The vote for such unit shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any unit.

ARTICLE VI
REGISTERED OFFICE

The address of the initial registered office of the corporation is Oral T. Dalton, 663 East 770 North, American Fork, Utah 84003.

The name of the registered agent at such address is Oral T. Dalton.

ARTICLE VII
BOARD OF DIRECTORS

The affairs of the Association shall be managed by a Board of three (3) Directors, who shall also act in the same capacity as the Management Committee under the Utah Condominium Ownership Act. With the exception of Directors appointed by the Declarant, pursuant to the Declaration of Covenants, Conditions and Restrictions of Colonial Pines Condominium, Directors shall be members of the Association. The number of directors may be changed by amendment of the By-laws of the Association. The names and addresses of the persons who are to act in the capacity of incorporators of the Association and as directors until the selection of their successors are:

<u>NAME</u>	<u>ADDRESS</u>
James Fullmer	882 North 1000 East Orem, Utah 84057

BOOK 2153 PAGE 246

Oral T. Dalton 663 East 770 North
American Fork, Utah 84003

Bonnie B. Dalton 663 East 770 North
American Fork, Utah 84003

ARTICLE VIII
INCORPORATORS

The names and addresses of each incorporator of the corporation are:

<u>NAME</u>	<u>ADDRESS</u>
James Fullmer	882 North 1000 East Orem, Utah 84057
Oral T. Dalton	663 East 770 North American Fork, Utah 84003
Bonnie B. Dalton	663 East 770 North American Fork, Utah 84003

ARTICLE IX
DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of members, subject to the then existing American Fork City Ordinances, and the approval of the American Fork City Council. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE X
NON-LIABILITY

The private property of the incorporators and directors and members shall not be liable for the payment of the debts or

BOOK 2159
PAGE 247

obligations of the corporation in any manner or in any extent whatsoever.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Utah, we, the undersigned, constituting the incorporators of this Association, have executed these Articles of Incorporation this _____ day of June, 1984.

Paul Dalton
James Fullmer
Bonnie B. Dalton

STATE OF UTAH)
): ss
COUNTY OF UTAH)

Before me, the undersigned, a Notary Public in and for said state personally appeared James Fullmer, Oral T. Dalton, and Bonnie B. Dalton, who being by me first duly sworn declared that they are the persons who signed the foregoing document as incorporators and that the statements contained therein are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 21 day of June, 1984.

Stanley W. Dalton
NOTARY PUBLIC
Residing at: San Fork, Ut.

My Commission Expires:
5 May 1988

BOOK 2159 PAGE 248