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**RESTATED AND AMENDED
DECLARATION OF CONDOMINIUM
FOR
COUNTRY STATION CONDOMINIUM
(Including Bylaws)**

A UTAH CONDOMINIUM PROJECT

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**RESTATED AND AMENDED
DECLARATION OF CONDOMINIUM
FOR
COUNTRY STATION CONDOMINIUM
A UTAH CONDOMINIUM PROJECT**

This Restated and Amended Declaration of Condominium for Country Station Condominium is made on the date evidenced below and executed by and between the Owners of Units in the Country Station Condominium Owners Association, Inc. ("the Association"), a Utah Condominium Project ("Country Station").

RECITALS:

A. This Restated and Amended Condominium Declaration including Bylaws ("Declaration") supersedes and replaces the Declaration of Condominium of the Country Station Condominium, A Utah Condominium Project" recorded on June 7, 1985, as Entry No. 0703903 in Book 1038, Page 12, in the records of the Davis County Recorder, in its entirety and including all subsequent amendments or supplements thereto (the "Original Declaration") and including the Bylaws included within the Original Declaration.

B. Pursuant to Article XVI, Section 16.6, of the Original Declaration, Unit Owners representing the required affirmative votes have approved the adoption of this document.

C. This Restated and Amended Declaration including Bylaws shall be binding upon all real property described in **EXHIBIT A** attached hereto and it is agreed by acceptance of a conveyance, contract for sale, lease, rental agreement, or any form of security agreement or instrument, or any privileges of use or enjoyment, respecting the property or any Unit in the property regime created by this Declaration, that this Declaration, together with the Plat and plans referred to herein, states covenants, conditions, restrictions, and reservations effecting a common plan for the condominium development mutually beneficial in all of the described Units, and that the covenants, conditions, restrictions, reservations and plan are binding upon the entire property and upon each such Unit as a parcel of realty, and upon its owners or possessors, and their heirs, personal representatives, successors and assigns, through all successive transfers of all or part of the property or any security interests therein without requirement of further specific reference or inclusion in deeds, contracts or security instruments, and regardless of any subsequent forfeiture, foreclosures, or sales of Units under security instruments.

D. The Country Station Condominium Owners Association, Inc., a Utah condominium project, is and continues to be submitted to the Utah Condominium Ownership Act, Utah Code Ann. §57-8-1 et seq., as amended or substituted from time to time (the "Act"), with the rights, privileges and obligations as set forth herein and in the Act.

**ARTICLE I
DEFINITIONS**

- 1.1 **“Act” or “Condominium Act”** means the Utah Condominium Ownership Act (Section 57-8-1 et seq., Utah Code Annotated, 1953), as the same may be amended or substituted from time to time.
- 1.2 **“Articles” or “Articles of Incorporation”** shall mean and refer to the Articles of Incorporation of the Country Station Condominium Owners Association, Inc., a Utah non-profit corporation, which were filed with the Utah State Department of Commerce, Division of Corporations and Commercial. The Owners of Units within Country Station hereby ratify the past filing of said Articles.
- 1.3 **“Association”** shall mean Country Station Condominium Owners Association, Inc., a Utah non-profit corporation, organized to be the Association referred to herein.
- 1.4 **“Board of Directors” or “Board”** shall mean the governing board of the management committee of the Association, appointed or elected in accordance with the Declaration and in accordance with the Bylaws of Country Station Condominium Owners Association, Inc., attached hereto as **Exhibit “B”** and incorporated by this reference.
- 1.5 **“Building”** shall mean one of the buildings in the project containing one or more Units as shown on the Plat Map.
- 1.6 **“Common Areas”** shall mean all physical portions of the project, except all Units, but including all Limited Common Areas and shall include all portions of the project not expressly reserved by the provisions of this Declaration to the exclusive use of less than all the Owners and shall include:
- (a) The real property and interest in real property which this Declaration submits to the terms of the Act, including the entirety of the tract of land but excluding individual Units;
 - (b) all Common Areas and Facilities designated as such in the Plat Map.
 - (c) all foundations and roofs constituting a portion of or included in the Project and any stairs, stairways, entrances, and exits which are designed for the use of more than one Unit.
 - (d) all equipment existing for common use, outdoor lighting, fences, landscaping, sidewalks, open parking spaces and roads.
 - (e) all other parts of the Project not specifically included within the individual Units.

- 1.7 **“Common Expense Fund”** shall mean the fund created or to be created, pursuant to the provisions of Article XI of this Declaration and into which all monies of the Association shall be deposited.
- 1.8 **“Common Facilities”** shall mean all furniture, furnishings, equipment, facilities, and other property (real, personal, or mixed) and interests therein at any time leased, acquired, owned, or held by the Association for the use and benefit of the Owners and all other property hereafter purchased in accordance with this Declaration with monies from the Common Expense Fund. Common Facilities shall be deemed to be part of the Common Areas, except to the extent otherwise expressly provided in this Declaration.
- 1.9 **“Condominium”** shall mean a Unit and the undivided interest (expressed as a percent of the entire ownership interest) in Common Areas appurtenant to such Unit, as set forth in **Exhibit “C”** attached hereto and by this reference made a part hereof.
- 1.10 **“First Mortgage”** shall mean a mortgagee which is a bank, savings and loan association, mortgage company, or other entity which has a first mortgage lien on any Condominium in the Project.
- 1.11 **“FHLMC”** shall mean the Federal Home Loan Mortgage Corporation.
- 1.12 **“FNMA”** shall mean the Federal National Mortgage Association.
- 1.13 **“Governing Documents”** means a written instrument by which the Association may exercise powers or manage, maintain, or otherwise affect the property under the jurisdiction of the Association, including Articles of Incorporation, Bylaws, Plat, this Declaration, Rules and Regulations, or other document either recorded or adopted by the Association, as may be amended and supplemented from time to time.
- 1.14 **“Limited Common Area Map”** shall mean the map attached as **Exhibit “D”** showing the Common Area, Limited Common Area, Units, and the location of guest parking spaces.
- 1.15 **“Limited Common Area”** shall mean those Common Areas designated as reserved for use of a certain Unit or Units to the exclusion of the other Units in the Project as shown on the Limited Common Area Map (**Exhibit “D”**). Each deck located on the rear of a Unit is within the Limited Common Area, which deck shall be for the exclusive use of the Owner of the Unit to which the deck is attached. The five (5) feet adjacent to the exterior wall of a Unit shall be considered part of the Limited Common Area appurtenant to that Unit and may be used by the Unit Owner to plant and maintain flowers and shrubs, which area shall be maintained by the Owner.
- 1.16 **“Manager”** shall mean the person, firm or company, if any, designated from time to time by the Association to manage the affairs of the Association and the Project.

- 1.17 **“Mortgage”** shall mean any mortgage, deed of trust, or other security instrument by which a Condominium or any part thereof is encumbered.
- 1.18 **“Mortgagee”** shall mean (i) any persons or entities named as the beneficiary under any mortgage or deed at trust by which the interest of any Owner is encumbered, (ii) any successor to the interest of such person or entity, or (iii) any insurer or guarantor of such person or entity under such mortgage or deed of trust.
- 1.19 **“Mortgage Servicer”** shall mean a Mortgagee who services any mortgage or deed of trust on any individual Condominium in the Project on behalf of FHLMC and/or FNMA.
- 1.20 **“Owner”** shall mean the person or persons owning in fee simple a Condominium in the Project, as such ownership is shown by the records of the County Recorder of Davis County, State of Utah. The term “Owner” shall not refer to any Mortgagee or to any person or persons purchasing a Condominium under contract until such contract is fully performed and legal title conveyed of record.
- 1.21 **“Plat Map”** shall mean and refer to the map or maps for the various phases of Country Station Condominium as recorded in the office of the County Recorder of Davis County, Utah, and all amendments thereto.
- 1.22 **“Project”** shall mean the land, the buildings, and the improvements located within Country Station according to the provisions of the Condominium Act.
- 1.23 **“Single Family”** shall mean: (a) a single person living alone or with the person’s children; (2) up to four (4) related or unrelated persons, (3) a husband/wife relationship with or without children, or (4) some other combination recognized as a Single Family by state or federal law.
- 1.24 **“Rules and Regulations”** means and refers to those Rules and Regulations adopted by the Association’s Board of Directors from time to time. Resolutions, as may be stated herein, are a formal writing which contains a Rule and Regulation. Formal Resolutions are not required to adopt Rules and Regulations.
- 1.25 **“Undivided Interest”** means the percentage of the undivided ownership interest of each Unit Owner in the Common Areas as set forth in **Exhibit “C”** attached hereto.
- 1.26 **“Unit”** shall mean an individual air space Unit, consisting of enclosed rooms occupying part of a building together with all fixtures and improvements therein contained. Notwithstanding the fact that they may be within the boundaries of such air space, the following are not part of a Unit insofar as they are necessary for the support or for the use and enjoyment of another Unit: Bearing walls, floors, ceilings, and roof (except the interior surfaces thereof), foundations, ceiling equipment, tanks, pumps, pipes, vents,

ducts, shafts, flues, chutes, conduits, wires, and other utility installations, except the outlets thereof when located within the Unit. The interior surfaces of a window or door means the points at which such surfaces are located when the window or door is closed. A Unit shall also encompass furnaces and air conditioning equipment, ducts, grills and any other similar items which serve only a single Unit.

- (a) The provisions of the Condominium Ownership Act (U.C.A. §57-8-7.2) are hereby adopted to further clarify the boundary line between a Unit and the Common Area. The following are part of a Unit: lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, finished flooring; and any other material constituting part of the finished surface of a wall, floor, or ceiling.
- (b) If a chute, flue, duct, wire, conduit, bearing wall, bearing column, or any other fixture lies partially within and partially outside the designated boundaries of a Unit:
 - (i) any portion of an item described serving only that Unit is part of the Limited Common Area; and
 - (ii) any portion of an item described is part of the common areas and facilities if the item serves more than one Unit or any portion of the common areas and facilities.
- (c) The following, within the boundaries of a Unit, are part of the Unit: spaces, interior partitions, and other fixtures and improvements, including but not limited to utility pipes, lines, systems, fixtures and appliances.
- (d) The following, if designated to serve a single Unit but located outside the Unit's boundaries, are Limited Common Area allocated exclusively to a Unit: a shutter, a doorstep, a porch, a deck, an exterior door, an exterior window, and any other fixture.

ARTICLE II SUBMISSIONS AND DIVISION OF PROJECT

- 2.1 **Submission to Condominium Act.** The Owners hereby submit the Land, the Buildings, and all other improvements now or hereafter made in or upon the Project described in the attached **Exhibit "A"** to the provisions of the Condominium Act. All of said property is and shall be held, conveyed, hypothecated, encumbered, leased, rented, used and improved as a fee simple Condominium Project to be known as Country Station Condominium, a Utah Condominium Project. All of said property is and shall be subject to the covenants, conditions, restrictions, uses, limitations, and obligations set forth herein, each and all of which are declared and agreed to be for the benefit of said Project and in furtherance of a plan for improvement of said property and division thereof into Condominiums; further, each and all of the provisions hereof shall be deemed to run with the Project and shall be a burden and a benefit on the Project and shall be binding upon

the all Owners, their successors and assigns, and to any person acquiring, leasing, or owning an interest in the real property and improvements comprising the Project, and to their respective personal representatives, heirs, successors, and assigns.

- 2.2 **Division into Condominiums.** The Project is hereby divided into Condominiums, each consisting of a Unit and an appurtenant Undivided Interest in the Common Areas as set forth in **Exhibit "C"** attached hereto.

ARTICLE III BUILDINGS AND IMPROVEMENTS

- 3.1 **Buildings and Improvements.** The Buildings and other improvements constructed on the Project are described on the Plat Map. The following information regarding the Buildings is also contained on the Plat Map: (i) the number of floors and basements in a Building; and (ii) the number of Units on each floor of a Building.
- 3.2 **Description of Units.** The Plat Map contains the Unit number, location, and dimensions of each Unit in the Project and all other information necessary to identify each such Unit.
- 3.3 **Description of Common Areas.** The Plat Map contains a description of the Common Areas of the Project.
- 3.4 **Description of Limited Common Areas.** The Limited Common Area Map attached as **Exhibit "D"** shows which areas are Limited Common Area within the Project. The backyard fenced-in area behind each Unit shall be Limited Common Area appurtenant to that Unit. The Owner of each Unit shall have the responsibility to repair, maintain and replace any structures located in the Limited Common Area appurtenant to their Unit, including any decks or patios located in the Limited Common Area. Before any structure, including decks, is built or replaced, the plans for the structure must first be presented to the Board for approval. Such structure shall be approved by the Board if, in the opinion of the Board, it is in harmony with the existing quality, appearance and architecture of the community. In addition, any flowers or shrubs located within the fenced-in Limited Common Area appurtenant to a Unit, shall be responsibility of the Owner to maintain such flowers or shrubs, which area must be maintained in a clean and attractive condition and reasonably weed free. All approvals of the Board must be in writing. Owners of end Lots shall be responsible for the maintenance of both the back and side yards (the adjacent wall and five feet out from the wall) appurtenant to their Unit.
- 3.5 **Principal Materials Used in Construction.** The Buildings are wood veneer structures resting on concrete foundations. Each building is covered with an asphalt shingle roof. The interior walls are constructed of the two-by-fours covered with gypsum sheetrock. The floors are covered with carpeting and vinyl floor coverings.

- 3.6 **Roof Responsibility.** The Association shall be responsible for the repair, maintenance and replacement of all roofs of Buildings within the Association. However, if a current or past Owner has added an exterior modification (including a skylight) to the roof of a Unit, the current Owner of the Unit shall be responsible for any repair, maintenance and replacement of that modification, and shall also be responsible for any damage to the roof, Building or Unit caused by the modification, including any damage due to leaks resulting from the modification. No Owner may make an exterior modification to the roof of a Building without first submitting architectural plans to the Board and receiving prior written approval from the Board. Solar panels or other solar energy devices are not permitted within the Association.
- 3.7 **Exterior Modifications.** No Owner may make any exterior modifications to any Building, Common Areas or Limited Common Area without first receiving written approval from the Board after first presenting to the Board a plan with drawings showing the proposed changes and providing proof that the person doing the work is a licensed professional and has the appropriate insurance. Any Owner who makes any modifications referred to herein without the prior written consent of the Board shall, at the Board's request, return the area to its prior condition at the sole expense of the Owner who made the changes. Owners shall be responsible for the maintenance of any plants or landscaping in their Limited Common Area that were not planted or installed by the Association.

ARTICLE IV NATURE AND INCIDENTS OF CONDOMINIUM OWNERSHIP

- 4.1 **Interiors of Units.** Each Owner shall have the exclusive right to paint, repaint, tile, wax, paper, carpet, or otherwise decorate the interior surfaces of the walls, ceilings, floors, and doors forming the boundaries of his Unit and the surfaces of all walls, ceilings, floors, and doors within such boundaries. Each Owner shall also have the right to construct partition walls, fixtures and improvements within the boundaries of his Unit; provided, however, that such partition walls, fixtures and improvements (i) shall comply with all applicable laws, ordinances, and building codes, (ii) shall not interfere with facilities necessary for the support, use, or enjoyment of any other part of the Project, (iii) shall not impair the structural soundness or integrity of the Building in which it is located, and (iv) shall not encroach upon the Common Areas or any part thereof, unless the Board of Directors shall consent in writing to such encroachment.
- 4.2 **Maintenance of Units.** Each Owner shall keep the interior of his Unit, including without limitation, interior walls, windows, ceilings, floors, and permanent fixtures and appurtenances thereto, in a clean and sanitary condition and in a state of good repair. In the event that any such Unit shall develop an unsanitary, unclean or unsafe condition or fall into a state of disrepair, and in the event that the Owner of such Unit shall fail to correct such condition or state of disrepair promptly following written notice from the Board of Directors, the Board of Directors on behalf of the Association shall have the

right, at the expense of the Owner and without liability to the Owner for trespass or otherwise, to enter said Unit and correct or eliminate said unsanitary or unclean condition or state of disrepair; provided, however, that the Association shall in no event have the obligation to correct or eliminate any such condition or state of disrepair. Each Owner shall be responsible for the maintenance, repair and replacement of any pipe serving solely that Unit and located within the Unit to the point where the pipe serves more than one Unit or to the point where the pipe exits the wall or foundation of the Unit.

- 4.3 **Title.** Title to a Condominium within the Project may be held or owned by any person or entity, or any combination thereof, and in any manner in which title to all other real property may be held or owned in the State of Utah, including without limitation, joint tenancy or tenancy in common.
- 4.4 **Ownership of Common Areas.** The Undivided Interest in the Common Areas appurtenant to each Unit in the Project shall be one full equal share for each Unit as shown in **Exhibit "C"**. The percentages appurtenant to each Unit as shown in said Exhibit shall have permanent character and shall not be altered except with the unanimous written consent of all Owners expressed in an amendment to this Declaration duly recorded, or except as otherwise permitted by the Condominium Act. Except as otherwise provided in this Declaration, any Owner shall be entitled to nonexclusive use of the Common Areas in any manner that does not hinder or encroach upon the rights of other Owners and is not contrary to any Rules and Regulations promulgated by the Association. Except as otherwise provided in this Declaration, any Owner shall have the exclusive right to use and enjoy any Limited Common Areas that may be designated for exclusive use by such Owner.
- 4.5 **Inseparability.** Title to no part of a Condominium within the Project may be separated from any other part thereof, and each Unit and the Undivided Interest in the Common Areas appurtenant to each Unit shall always be conveyed, devised, encumbered, and otherwise affect only as a complete condominium. Every devise, encumbrance, conveyance, or other disposition of a Condominium or any part thereof, shall be construed to be a devise, encumbrance, conveyance, or other disposition, respectively, of the entire Condominium, together with all appurtenant rights created by law or by this Declaration, including appurtenant Membership in the Association as hereinafter set forth.
- 4.6 **No Partition.** The Common Areas shall be owned in common by all of the Owners and no Owner may bring any action for partition thereof.
- 4.7 **Separate Mortgages by Owners.** Each Owner shall have the right separately to mortgage or otherwise encumber his Condominium. No Owner shall attempt to or shall have the right to mortgage or otherwise encumber the Common Areas or any part thereof, except the Undivided Interest therein appurtenant to his Condominium. Any mortgage or other encumbrance on any Condominium within the project shall be subordinate to all of

the provisions of this Declaration, and in the event of foreclosure, the provisions of this Declaration shall be binding upon any Owner whose title is derived through foreclosure by private power of sale, judicial foreclosure, or otherwise.

- 4.8 **Separate Taxation.** Each Condominium within the Project, including each Unit and appurtenant Undivided Interest in the Common Areas, shall be deemed to be a parcel and shall be assessed separately for all taxes, assessments, and other charges of the State of Utah or of any political subdivision or of any special improvement or of any other taxing or assessing authority. For purposes of such assessment, the valuation of the Common Areas shall be apportioned among the Units in proportion to the Undivided Interests in Common Areas appurtenant to such Units. All such taxes, assessments, and other charges on each respective Condominium shall be separately levied against the Owner thereof. No forfeiture or sale of any Condominium for delinquent taxes, assessments, or other governmental charges shall divest or in any way affect the title to any other Condominium.
- 4.9 **Mechanics Lien.** No labor performed or material furnished for use in connection with any Unit with the consent or at the request of an Owner or his agent or subcontractor shall create any right to file a statement of mechanic's lien against the Unit of any other Owner not expressly consenting to or requesting the same, or against any interest in the Common Areas, except the Undivided Interest therein appurtenant to the Unit of the Owner for whom such labor shall have been performed and such materials furnished.
- 4.10 **Description of Condominium.** Every contract for the sale of a Condominium and every other instrument affecting title to a Condominium within the Project may describe a Unit by its identifying number or symbol as indicated in this Declaration or as shown on the Plat Map. Such description will be construed to describe the Unit, together with its appurtenant Undivided Interest in the Common Areas, and to incorporate all of the rights incident to ownership of a Condominium within the Project and all of the limitations on such ownership.

ARTICLE V EASEMENTS

- 5.1 **Easements for Encroachments.** If any part of the Common Areas encroaches or shall hereafter encroach upon any Unit, an easement for such encroachment and for the maintenance of the same shall and does exist. If any part of a Unit encroaches or shall hereafter encroach upon the Common Areas or upon an adjoining Unit, an 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, or any improvements constructed or to be constructed within the Project, by error in the Plat 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, in accordance with the provisions of this Declaration.

- 5.2 **Easements for Maintenance, Cleaning and Repair.** Some of the Common Areas are or may be located within the Units or may be conveniently accessible only through the Units. The Association shall have the irrevocable right 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, cleaning, repair or replacement of any Common Areas or for making emergency repairs at any time therein necessary to prevent damage to the Common Areas or to any Unit. In addition, agents of the Association may enter any Unit when necessary, in connection with any cleaning, maintenance repair, replacement, landscaping, construction, or reconstruction for which the Association is responsible. Such entry shall be made with as little inconvenience to the Owners as practicable, and any damage caused thereby shall be repaired by the Association with funds from the Common Expense Fund.
- 5.3 **Right to Ingress, Egress, and Support.** Each Owner shall have the right to ingress and egress over, upon, and across the Common Areas as necessary for access to such Owner's Unit and to any Limited Common Area appurtenant to such Unit, and shall have the right to horizontal, vertical, and lateral support of each Unit, and such rights shall be appurtenant to and pass with title to each Condominium.
- 5.4 **Association's Right to Use Common Areas.** The Association shall have an easement to make such use of the Common Areas as may be necessary or convenient to perform pursuant to this Declaration, including without limitation the right to construct and maintain in the Common Areas facilities for use by Owners generally or by the Association and its agents exclusively.
- 5.5 **Easements Deemed Created.** All conveyances of Condominiums within the project hereafter made shall be considered to grant and reserve such reciprocal easements as are provided herein, even though no specific reference to such easements appears in any such conveyance.

ARTICLE VI RESTRICTIONS ON USE

- 6.1 **Primary Residential Use.** All Units within the Project shall be used exclusively for single family dwelling and for no other purpose.
- 6.2 **Noxious or Offensive Activity.** No noxious or offensive activity shall be carried on, in or upon any part of the Project, nor shall anything be done or placed in or upon any part of the Project which is or may become a nuisance or which may cause disturbance or annoyance to Owners or occupants. No activity shall be conducted, nor improvements constructed, in or upon any part of the Project which are or may become unsafe

hazardous to any person or property.

- 6.3 **Smoking.** Smoking is strictly prohibited indoors, within any Unit, in any Building, Limited Common Area or Common Areas, or within twenty-five (25) feet of any Building, as further set forth in Article XV of this Declaration.
- 6.4 **Leasing of Units.** Upon duly adopted policy of the Board, Owners that are permitted to lease their Unit (subject to the restrictions of the Governing Documents) may be required to fill out and submit a Crime Free Addendum in order to be allowed to lease.
- 6.5 **Restriction on Signs.** No signs, advertisements, posters, banners or flags are permitted to be displayed on any part of the Project, except as otherwise provided herein, or as permitted with advance written approval of the Board.

Signs, no larger than three (3) feet by two (2) feet, advertising a Unit for sale may be displayed on the parking strip in front of a Unit or from a Unit window.

U.S. and other flags and may be displayed visibly from inside a dwelling or within exclusive use Limited Common Area, so long as, at the determination of the Board, a flag is not offensive or deemed a nuisance by the Board or other residents.

The Association may from time to time, by Rule, restrict or prohibit the display of signs, advertisements, posters, flags and banners of any kind displayed to the public view on or from any Unit or the Common Area based on objective criteria such as promoting unlawful or offensive activities and as consistent with the Act.

- 6.6 **Antennas/Dishes.**
All installations shall be governed by the Federal Over the Air Reception Device ("OTARD") Rule of the Federal Communication Commission. To be consistent therewith, Owners are encouraged to use cable service for television and Internet. Satellite antennas, such as Direct Broadcast Satellite ("DBS") antennas (dishes) one meter in diameter or less and designed to receive direct broadcast satellite service, including direct-to-home satellite service, or receive or transmit fixed wireless signals via satellite, may be installed only to the extent and in locations allowed herein and by local, state or federal law. All other antennas are prohibited. "Antenna" as used herein includes satellite dish antennas.
- 6.7 **Garbage Can Storage.** All garbage containers should be stored inside the garage of a Unit, or in the backyard Limited Common Area. End Units may store their garbage containers on the side of their Units, as long as the garbage can is behind the front edge of the Unit. Garbage containers should not be left visible in the front of any Unit on days other than the day garbage is collected and may not be left on the street for more than twenty-four (24) hours after garbage is picked up.

- 6.8 **Parking.** Use restrictions and rules governing parking within the Project are set forth in Article XXIII of this Declaration.
- 6.9 **No Alterations.** No Owner shall, without the prior written consent of the Board of Directors in each specific instance, make or cause to be made any alteration, addition, removal, improvement in or to the Common Areas or any part thereof.
- 6.10 **No Obstructions.** No Owner shall obstruct the Common Areas or part thereof. No Owner shall store or cause to be stored in the Common Areas any property whatsoever unless the Board of Directors shall consent thereto in writing.
- 6.11 **No Overloading.** No Owners shall bring anything into his Unit or permit anything to be done in his Unit that will cause damage to the building. No Owner shall overload the floor of his Unit. No Owner shall permit the use of operation in his Unit of any equipment, machinery, or other apparatus that will in any manner injure, vibrate, or shake the building or any portions thereof.
- 6.12 **Modifications to Unit or Common Area.** No interior changes to a Unit shall be performed unless a building permit is first obtained, if one is required by a local authority, a copy of which is provided to the Association, and approval for the changes is given by the Association. No Unit shall be subdivided, and no Units shall be combined unless permitted by law and the Board of Directors. No exterior changes whatsoever shall be commenced, erected, maintained, made or done, including modifying, painting or decorating any portion of the exterior of the Unit or of the building in which the Unit is located, without the prior written approval of the Association. No structural changes whatsoever to any Unit, and no plumbing, electrical and similar work within Common Area, shall be commenced, erected, maintained, made or done without the prior written approval of the Association. By way of illustration but not limitation the following are considered interior structural changes: moving, removing, adding, or altering windows, walls, doorways, and the like.
- 6.13 **Prohibition of Damage and Certain Activities.** Except with the prior written consent of the Board of Directors nothing shall be done or kept in any Unit, in the Limited Common Area, Common Areas, or in any other part of the Project that would result in cancellation of the insurance on the Project or any part thereof, nor shall anything be done or kept in any Unit that would increase the rate of insurance on the Project or any part thereof over that which the Association would pay. Nothing shall be done or kept in any Unit or in the Common Areas or any part thereof which would be in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement or any governmental authority. No damage to, or waste of, the Common Areas or any part thereof shall be committed by any Owner or guest of any Owner and each Owner shall indemnify and hold harmless the Association and the Owners from and against all loss resulting from any such damage or waste.

- 6.14 **No Commercial Business.** No commercial business shall be permitted within the Project.
- 6.15 **Tree Removal.** After receiving prior written approval from the Board, an Owner may plant or remove trees located in the Owner's Limited Common Area. The Owner shall be responsible for any damage caused to any Building during or by the removal of a tree, and for any damage caused by a tree planted by an Owner. In addition, no Owner may plant a tree that creates a nuisance or annoyance to other residents due to the size of the tree or the amount of leaves that fall from the tree.
- 6.16 **Rules and Regulations.** Each Owner shall comply strictly with all Rules and Regulations adopted by the Association for the governance of the Units, the Common Areas, and the Project, as such Rules and Regulations may be modified, amended and construed by the Association in the sole discretion of its Board of Directors.

ARTICLE VII ANIMALS

- 7.1 **Total Number.** No more than a total of two (2) common household animals per Unit may be allowed at Country Station. Exotic animals or birds are not permitted. Cats, dogs and other common household animals shall be permitted only upon the written approval of the Board, pursuant to any other Rules and Regulations regarding animals adopted by the Board
- 7.2 **Management of Animals.** Under no circumstances may a dog be present on the Common Areas unless the dog is on a leash and in control by its handler or held by a person. No leash shall be longer than fifteen (15) feet in length. Owners must ensure that animal waste is immediately cleaned up. No animal shall create a nuisance to other residents or guests of the community. Failure to adhere to the restrictions set forth herein, or any other Rules and Regulations governing animals within the Project shall be deemed a violation of this Declaration, and the Owner of the Unit shall be subject to fines or demand for the removal of the animal.
- 7.3 **Removal of Pets.** The Board shall have authority to order the removal of any dog, cat or animal, if, at any time, the resident possessing the animal repeatedly or willfully fails to abide by the terms of this Declaration or Rules and Regulations adopted by the Board regarding the keeping of animals within the Project, if the animal causes or creates a nuisance or disturbance, or if the animal demonstrates any type of threatening or aggressive behavior toward humans or other animals.

ARTICLE VIII RENTAL RESTRICTIONS

8.1 Leasing.

Consistent with the provisions of the Declaration and the Utah Condominium Ownership Act, the leasing and renting of Units by Owners shall be in accordance with the terms herein.

The terms “leasing,” “lease,” “leasing,” “renting,” “rent,” or “rental” used in reference to any Unit within the Association shall mean and refer to the granting of a right to use or occupy a Unit to any person or entity for a specific term or indefinite term, in exchange for the payment of rent (money, property or other goods or services of value); but shall not mean nor include joint ownership of a Unit by means of joint tenancy, tenancy-in-common or other forms of co-ownership.

- (a) Restrictions. All Owners and Units shall be subject to the following restrictions (subject to Section (b) below):
 - (i) Rental Cap. It is hereby amended and agreed that **no more than nine (9) Units**, may be rented at any given time, except as provided within this document or as may be required by law (“Rental Cap”). Owners renting or leasing their entire Unit upon the recording of this Declaration shall count against the Rental Cap.
 - (ii) Short Term Rentals. Owners may NOT lease or rent any Unit for a period of less than **six (6) consecutive months**. No short term, daily, weekly or monthly rentals are permitted including, but not limited to, nightly or other short-term rentals through programs such as VRBO, Airbnb, or similar arrangements.
 - (iii) Individual Room Rentals. Individual room rentals (that is, individual rooms or partial Unit rentals that are leased or rented when the Unit Owner also resides in the Unit), are NOT permitted.
- (b) Exemptions. The following Unit Owners and their respective Units, upon proof sufficient to the Board of Directors, are **exempt** from the rental prohibition outlined herein below unless otherwise stated:
 - (i) A Unit Owner in the military for the period of the Unit Owner’s deployment;
 - (ii) A Unit occupied by a Unit Owner’s parent, child, or sibling;

- (iii) A Unit Owner whose employer has relocated the Unit Owner for two (2) years or less;
 - (iv) A Unit owned by an entity that is occupied by an individual who:
 - (1) Has voting rights under the entity's organizing documents; and
 - (2) Has a twenty-five percent (25%) or greater share of ownership, control, and right to profits and losses of the entity; or
 - (v) A Unit owned by a trust or other entity created for estate planning purposes if the trust or other estate planning entity was created for the estate of:
 - (1) A current resident of the Unit; or,
 - (2) The parent, child, or sibling of the current resident of the Unit.
- (c) Application and Approval. Owners desiring to rent or lease their entire Unit shall submit a written application to the Board of Directors (and/or its agent). Additionally, the Owner shall submit to the Board of Directors within ten (10) days of occupancy by the tenants, the names of those occupying the Unit. The Board of Directors shall monitor and make a determination of whether the rental or lease will exceed the Rental Cap.
- (i) The Board of Directors shall:
 - (1) Approve the application if it determines that the rental or lease will not exceed the Rental Cap; or
 - (2) Deny the application if it determines that the rental or lease of the Unit will exceed the Rental Cap.
 - (ii) Applications from an Owner for permission to rent or lease shall be reviewed and approved or denied by the Board of Directors as set forth in this subsection.
 - (1) The Board of Directors shall review applications for permission to rent or lease in chronological order based upon the date of receipt of the application. Within ten (10) business days of receipt, the Board of Directors shall approve or deny an application as provided herein and shall notify the Owner within fifteen (10) business days of receipt of the application if permission is not given and the reason for the denial.

- (2) If an Owner's application is denied, the applicant may be placed on a waiting list according to the date the application was received so that the Owner whose application was earliest received will have the first opportunity to rent or lease, subject to subsection (d) of this Section.
- (3) The Board of Directors is authorized to adopt, by Board of Directors rule, procedures and policies that govern the creation, organization and process to implement the above-mentioned waiting list. Said procedures may be modified from time-to-time by the Board of Directors to fairly implement the waiting list program described herein.
- (iii) An application form, the application approval process, a waiting list, and any other rules deemed necessary by the Board of Directors to implement this Section may be required and established by rules or resolution adopted by the Board of Directors consistent with this Declaration and to ensure the consistent administration and enforcement of the rental restrictions contained herein.
- (iv) All Owners shall provide the Board of Directors with a copy of the executed lease, which shall be kept on file with the books and records of the Association so that the Association may determine the number of Units rented or leased. The lease agreement may be required to be on a form approved by the Board of Directors.
- (v) If an Owner fails to submit the required application, fails to use and submit a copy of the lease agreement and rents or leases any Unit, and/or rents or leases any Unit after the Board of Directors has denied the Owner's application, the Board of Directors may assess fines against the Owner or Tenant (as may be consistent with Utah law, Utah Code §57-8-8.1) and the Owner's Unit in an amount to be determined by the Board of Directors pursuant to a schedule of fines adopted by resolution. In addition, regardless of whether any fines have been imposed, the Board of Directors may proceed with any other available legal remedies, including but not limited to an action to terminate the rental or lease agreement and removal of any tenant or lessee.
- (vi) The Association shall be entitled to recover from the offending Owner its costs and attorney's fees incurred for enforcement of this Section regardless of whether any lawsuit or other action is commenced. The Association may assess such costs and attorney's fees against the Owner and the Unit as an assessment pursuant to the Declaration.

- (d) Grandfathering Clause. All Owners of record prior to the recordation of this Declaration who currently rent or lease their entire Unit, may do so until such time as title to the Unit is transferred, pursuant to Utah Code 57-8-209; or an exemption (above) is required (“grandfathered status”). At such time title changes the grandfathered status is lost, and an Owner wishing to rent or lease the Unit must submit an application to the Board as required in Section 8.1(c) herein for permission to rent or lease the Unit.
- (e) Lease Agreement. Rental and lease agreements shall comply with this subsection.
- (i) The Owner shall provide the tenant or lessee with a copy of the Declaration, the Bylaws, including any relevant amendments to such documents, and all rules and regulations then in effect and shall take a receipt for delivery of the documents. In the event any such documents are amended, revised, changed, or supplemented by the Association, the Owner shall provide the tenant or lessee with a copy of the amendments, revisions, changes, or supplements within ten (10) calendar days of adoption by the Association, its Board of Directors, or its membership.
- (ii) Upon the commencement of the rental or lease period, the Owner shall provide the Association with a signed copy of the fully executed lease agreement and the names and contact information of the tenants named on the lease.
- (iii) The Board of Directors will require, to be submitted with the lease agreement, a Crime-Free Addendum, which form shall be obtained by contacting the Board directly, a sample of which is attached **Exhibit E**.
- (iv) It is the responsibility and obligation of the Owner to perform a background check on potential tenants, or other due diligence in determining a potential tenant.
- (f) Remedies. In addition to any other remedies available to the Association, the Board of Directors may require the Owner to terminate a lease or rental agreement if the Board of Directors determines that any lessee or tenant has violated any provision of this Declaration, the Articles of Incorporation, the Bylaws, or any amendments thereto, or the rules and regulations adopted thereto. If an Owner fails to correct any such violations related to their tenants or fails to terminate the lease pursuant to the above, the Owner hereby grants the Board of Directors standing to initiate eviction proceedings against their tenant and considers the Association a third-party beneficiary to its rental/lease agreement.
- (g) Additional Rules. The Board of Directors is authorized to promulgate additional

rules, procedures and requirements regarding rentals and the rental process as it deems necessary from time to time to give effect to, or further clarify, this Declaration.

- (i) Fines, Sanctions and Attorney's Fees. The Board of Directors shall have the power to enforce the Association's governing documents, including by obtaining injunctive relief from the courts, by issuing fines, by terminating any common service paid for as a common expense, and by utilizing any other remedy authorized by law or the governing documents in order to maintain and operate the project and to enforce these rental restrictions. The Association shall be entitled to its attorney's fees and costs in any action to enforce the terms of this Declaration or its rules.
 - (ii) Lease Payments by Tenant to Association. If an Owner who is renting his or her Unit fails to pay an assessment for more than sixty (60) days after the assessment is due, the Board of Directors may demand that the tenant, and the tenant thereafter shall, pay to the Association all future lease payments due to the Owner, beginning with the next monthly other periodic payment, until the amount due to the Association is paid in accordance with the procedures established by law, and such amounts shall be the personal obligation and debt of the tenant to the Association, jointly and severally with the Owner.
 - (iii) Hardship Exemptions to Rental Prohibition. The Board of Directors shall have the sole discretion to allow rentals that would otherwise exceed the rental cap stated herein upon the showing of an undue hardship by the requesting owner. The Board shall state the terms and duration of the hardship exemption granted and cause the owner to sign an agreement to such terms. No hardship exemptions are guaranteed, nor may this Section be relied on by any owner that such an exemption will be granted.
 - (iv) Owner responsible for actions of Tenant. Any Owner allowing a non-owner occupant to occupy his or her Unit shall be responsible for the occupant's compliance with the Declaration, Bylaws and Rules.
- (i) Limitation of Unit Ownership.
In order to help assure that Units within the Association qualify and are eligible for loans on the secondary and primary mortgage market, as also may be required by Fannie Mae, Freddie Mac and/or the Federal Housing Administration, which helps with the ability to purchase or securitize mortgages within the Association, no single entity (the same individual, investor group, entity, partnership, or corporation) may own more than ten percent (10%) of the total number of Units within the Association at any given time.

Should this provision be violated, the Association, through the Board of Directors, shall be able to enforce this restriction to protect the interests of the Association and its members, with or without legal action as deemed necessary, and the offending purchaser/owner shall be responsible for all costs and attorney fees associated with said enforcement.

ARTICLE IX THE ASSOCIATION

- 9.1 **Membership.** Each Owner shall be entitled and required to be a member of the Association. Membership shall begin immediately and automatically upon becoming an Owner and shall terminate immediately and automatically upon ceasing to be an Owner. If title to a Condominium is held by more than one person, the membership appurtenant to that Condominium shall be shared by all such persons in the same proportionate interest and by the same type of tenancy in which title to the Condominium is held and Owner shall be entitled to one membership for each Condominium owned by him. Each membership shall be appurtenant to the Condominium to which it relates and shall be transferred automatically by conveyance of that Condominium. Ownership of a Condominium within the Project cannot be separated from membership in the Association.
- 9.2 **Votes.** The number of votes appurtenant to each respective Condominium Unit shall be one (1) vote, which shall not be altered except by the unanimous written consent of all Owners expressed in a duly recorded amendment to this Declaration.

ARTICLE X CERTAIN RIGHTS AND OBLIGATIONS OF THE ASSOCIATION AND BOARD

- 10.1 **The Common Areas.** The Board of Directors, acting on behalf of the Association and, subject to the rights and duties of the Owners as set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Areas and all improvements thereon (including the Common Facilities), and shall keep the same in good, clean, attractive, safe and sanitary condition, and repair, provided however, that as provided herein, each Owner shall keep the Limited Common Areas designated for use in connection with his Unit, if any, in a clean sanitary, and attractive condition and shall be responsible for the repair and replacement of those Limited Common Areas as provided herein. The Association shall be responsible for the maintenance and repair of the exterior of the Buildings, other improvements and grounds, providing, without limitation thereof, repair and replacement of exterior trim, roofs and fences, and maintenance of landscaping, walkways, driveways, and parking areas. The Board of Directors shall also be responsible for maintenance, repair and replacement of Common Areas within the Buildings, including, without limitation, utility lines, Common Facilities, and all improvements and other items located within or used in connection with the Common

Areas. Installations of services serving more than a single Unit, such as power, light, gas, hot and cold water, heating, refrigeration, pipes, conduits, and wires, wherever they may be located or that exist for common use, within Units or without, shall be part of the Common Area. All goods and services procured by the Board of Directors in performing its responsibilities under this Section shall be paid for with funds from the Common Expense Fund. Maintenance responsibilities may be further set forth and clarified in the Rules and Regulations.

- 10.2 **Miscellaneous Goods and Services.** The Board of Directors may, on behalf of the Association obtain and pay for the services of such personnel as the Board of Directors shall determine to be necessary or desirable for the proper operation of the Project whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or which it contracts. The Board of Directors may on behalf of the Association obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the project or the enforcement of this Declaration. In addition to the foregoing, the Board of Directors may on behalf of the Association, acquire and pay for out to the Common Expense Fund, water, sewer, garbage collection, electrical, gas, and other necessary or desirable utility services for the Common Areas (and for the Units to the extent not separately metered or billed), insurance, bonds, and other goods and services common to the Units.
- 10.3 **Limitation of Contract.** Any contract for professional management or any contract providing for the services of the Owner shall have a term of no more than one year and shall be terminable by the Association at any time upon ninety (90) days written notice. Any such contract shall be terminable by the Association without cause and without penalty.
- 10.4 **Real and Personal Property.** Board of Directors may acquire on behalf of the Association real, personal, and mixed property of all types for the use or benefit of all of the Owners and may dispose of such property by sale or otherwise; provided that any acquisition or disposition of any real, personal or mixed property by the Board of Directors wherein the value of such property exceeds \$5,000 must be approved by vote of at least fifty-one percent (51%) of the total votes of the Association at a meeting duly called for that purpose. All such property, including common facilities, shall be paid for out of the Common Expense Fund and all proceeds from the disposition thereof shall be part of such fund.
- 10.5 **Rules and Regulations.** Board of Directors may make reasonable Rules and Regulations governing the use of the Units, the Common Areas, the Limited Common Areas, and all parts of the project, which Rules and Regulations shall be consistent with the rights and duties established with this Declaration. The Board of Directors, on behalf of the Association, may take judicial action against any Owner to enforce compliance with such Rules and Regulations or other obligations of such Owner arising hereunder, or to obtain damages for noncompliance therewith, as permitted by law. In the event of such judicial

action, the Association including reasonable attorneys' fees, from the offending Owner.

- 10.6 **Implied Rights.** The Association may exercise any right, power, or privilege given to it expressly by this Declaration or by law, and every other right and privilege reasonably implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

ARTICLE XI ASSESSMENTS

- 11.1 **Agreement to Pay Assessments.** Each Owner of any Condominium by the acceptance of instruments of conveyance and transfer, shall be deemed to covenant and agree with each other and with the Association to pay to the Association all assessments made by the Association for the purpose provided in this Declaration. Such assessments shall be fixed, established, and collected from time to time as provided in this Article XI.
- 11.2 **Annual Assessment.** Annual assessments shall be computed and assessed against all Condominiums in the Project as follows:
- (a) **Annual Assessment.** Annual assessments shall be based upon advance estimates of the Association's cash requirements to provide for payment of all estimated expenses arising out of or connected with the maintenance and operation of the Common Areas and/or furnishing utility services and other common items to the Units. Such estimated expenses may include, without limitation, the following: expenses of management, real property taxes and special assessments unless the Condominiums are separately assessed; premiums for all insurance that the Association is required or permitted to maintain; repairs and maintenance; wages for Association employees; utility charges, including charges for utility service to the Units to the extent not separately metered or billed; legal and accounting fees; any deficit remaining from a previous period; creation of an adequate contingency reserve, and/or sinking fund; creation of an adequate reserve fund for maintenance, repairs, and replacement of the Common Areas and Facilities that must be replaced on a periodic basis, and such reserve shall be funded by monthly payments rather than extraordinary special assessments; and any other expenses and liabilities which may be incurred by the Association for the benefit of the Owners under this Declaration. All funds received from assessments under this Section shall be part of the Common Expense Fund.
 - (b) **Apportionment.** Expenses attributable to the Common Expense or to the Project as a whole shall be apportioned among and assessed uniformly to all Owners in proportion to their respective Undivided Interest in Common Areas.
 - (c) **Annual Budget.** The Board of Directors shall prepare, adopt and furnish to each Owner an operating budget for the upcoming fiscal year. The budget shall itemize

the estimated expenses of Common Expense for such fiscal year, anticipated receipts, and any deficit or surplus from prior operating periods. The budget shall serve as the supporting document for the annual assessment and as the major guideline under which the Project shall be operated.

- (d) **Notice and Payments.** Except with respect to the first fiscal year, the Board of Directors shall notify each Owner as to the amount of the annual assessment against his Condominium on or before December 15 each year. Each annual assessment shall be payable in twelve equal monthly installments, one such installment due on the first day of each month and shall be payable in such installments and at such times as the Association, in the sole direction of its Board of Directors, may determine. All unpaid installments shall bear interest at the rate eighteen percent (18%) per annum until paid. In addition, in the event that any installment of any annual assessment is not paid within ten (10) days of the date such installment is due, it shall be subject to a penalty for late payment of one dollar (\$1.00) per day from the date each such installment became due until paid. The failure of the Board of Directors to give timely notice of any annual assessment as provided herein shall be not deemed a waiver or modification in any respect of the provisions of this Declaration, or a release of any Owner from the obligation to pay such assessment or any other assessment, but the date the payment shall become due in such case shall be deferred to a date fifteen (15) days after notice of such assessment shall have been given. A default or arrears in payment shall not be a basis for accelerating the payment of the yearly assessment.
- (e) **Unpaid Assessments.** All unpaid installments of an annual assessment, common assessment, special assessment, or of any late fee, interest charge, or legal fees or costs incurred by the Association and for which an Owner is required to pay, shall bear interest at the rate of eighteen percent (18%) per annum from ten (10) days after the date each such installment became due until paid.
- (f) **Inadequate Funds.** In the event that the Common Expense Fund proves inadequate at any time for whatever reason, the Board of Directors may on behalf of the Association levy additional assessments in accordance with the procedure set forth in Section 11.3 below, except that the vote therein specified shall be unnecessary.
- 11.3 **Special Assessments.** In addition to the annual assessments authorized by this Article, the Board of Directors may, on behalf of the Association, levy, at any time and from time to time, for the purpose of defraying, whole or in part, any and all additional costs incurred or to be incurred by the Association which cannot be paid for through other types of Assessments. The Board may authorize a special assessment for any lawful purpose provided, however, that any special assessment levied within 12 months of a prior special assessment, and any special assessment greater than \$1,000.00 per Unit (\$30,000.00 in the aggregate) may only be levied if it is first voted upon by the

affirmative vote of at least fifty-one percent (51%) of the total votes of the Association.

This Section shall not be construed as an independent source of authority for the Association to incur expenses but shall be construed to prescribe the manner of assessing for expenses authorized by other Sections or Articles hereof. Any amounts assessed pursuant hereto shall be assessed to Owners in proportion to their respective Undivided Interests in the Common Areas. Notice in writing of the amount of each special assessment and the time for payment thereof shall be given promptly to the Owners; no payment shall be due less than fifteen (15) days after such notice shall have been given. All unpaid portions of any special assessment shall bear interest at the rate of eighteen percent (18%) per annum from the date such portions become due until paid. In addition, in the event that any special assessment is not paid within ten (10) days of the date such special assessment becomes due, it shall be subject to a penalty for late payment of one dollar per day from the date each such special assessment became due until paid. All funds received from assessments under this Section shall be part of the Common Expense Fund.

- 11.4 **Individual Assessments.** Any expenses benefitting or attributable to fewer than all of the Units may be assessed exclusively against the Units affected or benefitted ("Individual Assessments"). Individual Assessments shall include, but are not limited to: (1) Assessments levied against any Unit to reimburse the Association for costs or attorney fees incurred in bringing the Unit or its Owner into compliance with, or to otherwise defend or uphold, or carry out, the provisions of the Governing Documents and for fines or other charges, including attorney fees, imposed pursuant to this Declaration for violation of the Governing Documents; (2) Expenses incurred by the Association relating to the cost of maintenance, repair, or replacement of the individual Units.
- 11.5 **Lien for Assessments.** All sums assessed to Owners of any Condominium within the Project pursuant to the provisions of this Article XI, together with penalties and interest as provided herein, shall be secured by a lien on such Condominium in favor of the Association. To evidence a lien for sums assessed pursuant to this Article, the Board of Directors may prepare a written notice of lien setting forth the amount of the assessment, the name of the Owner of the Condominium, a description of the Condominium, and such other information as required by law. Such notice may be recorded in the office of the County Recorder of Davis County, State of Utah. No notice of lien shall be recorded until there is a delinquency in payment.
- 11.6 **Personal Obligation of Owner.** The amount of any annual or special assessment against any Condominium shall be the personal obligation of the Owner of such Condominium to the Association. Suit to recover a money judgment for such personal obligation shall be maintainable by the Association without foreclosing or waiving the lien securing the same. No Owner may avoid or diminish any such personal obligation by waiver of the use and enjoyment of any of the Common Areas or by abandonment of his Condominium or by waiving any services or amenities provided for in this Declaration. In the event of

any suit to recover a money judgment for unpaid assessments hereunder, the Owner shall pay the costs and expenses incurred by the Association including reasonable attorney fees. The assessment referred to herein shall not be the obligation of any First Mortgagee who complies with the requirements of Section 20.1, below.

- 11.7 **Statement of Account.** Upon payment of a reasonable fee not to exceed the amount authorized by Utah law, and upon written request of any Owner, mortgagee, or prospective purchaser of a Condominium, the Board of Directors shall issued a written statement setting forth the following: The amount of the unpaid assessments, if any, with respect to such Condominium; the amount of the current annual assessment and the date or dates upon which installments thereof become due; credit for advanced payments or prepaid items, including without limitation the Owners' share of prepaid insurance premiums. Such statements shall be conclusive upon the Association in favor or persons who rely thereon in good faith.
- 11.8 **Personal Liability of Seller and Purchaser.** In a voluntary conveyance, the purchaser of a Unit shall be jointly and severally liable with the seller 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 purchaser's right to recover from the seller the amounts paid by the purchaser.
- 11.9 **Reinvestment Fee.** Upon the transfer of title to each Unit, a reinvestment fee, in an amount to be determined by the Board of Directors, shall be charged and payable to the Association. A separate Notice of Reinvestment Fee will be recorded providing additional notice. The parties to the transaction are responsible to negotiate who pays this fee.
- 11.10 **Non-Judicial Foreclosure.** The Association shall have the power to conduct nonjudicial foreclosure in order to collect delinquent Assessments as authorized by the Utah Code (currently Section 57-8-45). Each Owner hereby appoints the Association's attorney as trustee, or such substitute trustee as is designated pursuant to Utah Code Section 57-1-22. Additionally, such Owner empowers such trustee to enforce a lien and to foreclose the lien by the private power of sale provided in Utah Code Section 57-1-27, or by judicial foreclosure. Each Owner further grants to the trustee the power and authority to sell the Unit of any defaulting Owner to the highest bidder to satisfy such lien as provided for in Utah Code Section 57-8-46.

ARTICLE XII COLLECTION OF DELINQUENT HOA FEES FROM TENANT

- 12.1 **Lease Payment.** In the event an Owner is delinquent in the payment of assessments to the Association, as authorized in U.C.A. 57-8-53, the Association may, with proper notice, require a tenant under a lease with a Unit Owner to pay the Association all future lease payments due to the Unit Owner.

- 12.2 **Collecting HOA Fees from Renters.** If the Owner of a Unit who is leasing the Unit fails to pay any assessment for a period of more than sixty (60) days after it is due and payable, the Board may require the tenant to pay to the Association all future lease payments due the Owner, commencing with the next monthly or other periodic payment, until the amount due to the Association is paid.
- 12.3 **Notice to Unit Owner.** The Board shall give the Unit Owner written notice of the Board's intent to demand full payment of all delinquent assessments from the Owner's tenant. This notice shall be sent by regular first-class mail to the last known address of the Owner, as provided on the records of the Davis County recorder or as provided by the Unit Owner to the Board. The notice shall inform the Owner that all delinquent assessments must be paid to the Association within fifteen (15) days from the date the notice is mailed to the Unit Owner, and if payment is not received within fifteen (15) days, that the Board shall notify the tenant that future lease payments shall be paid to the Association and not to the Unit Owner. The notice shall also state:
- (a) the amount of the assessment due, including any interest, late fee, collection cost, and attorney fees;
 - (b) that any costs of collection, including attorney fees, and other assessments that become due may be added to the total amount due and be paid through the collection of lease payments; and
 - (c) that the Association intends to demand payment of future lease payments from the Unit Owner's tenant if the Unit Owner does not pay the amount owing within fifteen (15) days.
- 12.4 **Notice to Tenant.** If the Unit Owner fails to pay the amount of the assessment due within the fifteen (15) day period specified in the notice, the Board shall deliver written notice to the tenant informing the tenant that all future payments due from the tenant to the Owner shall be paid to the Association. The notice to the tenant shall be served on the tenant by: (1) posting a notice on the door of the tenant's Unit, (2) mailing a notice to the tenant at the address of the Unit, or (3) delivering notice personally to the tenant. A copy of the notice shall be mailed to the Unit Owner. The notice provided to the tenant shall also state:
- (a) that due to the Owner's failure to pay the assessment within the time period allowed, the Owner has been notified of the Board's intent to collect all lease payments due to the Association until the amount owing is paid.
 - (b) that until notification by the Association that the assessment due, including any interest or late payment fee, has been paid, all future lease payments due to the Owner are to be paid to the Association; and

- (c) the law requires the tenant to make all future lease payments, beginning with the next monthly or other periodic payment, to the Association, until the amount owing is paid.
- (d) payment by the tenant to the Association will not constitute a default under the terms of the lease agreement with the Unit Owner/landlord. If payment is in compliance with this notice, suit or other action may not be initiated by the Owner against the tenant for failure to pay.

ARTICLE XIII RULES AUTHORIZING FINES

- 13.1 **Fines; Authorization.** The Association through its Board is hereby authorized to assess a fine against Unit Owners, or whose guests or tenants, violate provisions in this Declaration, the Bylaws or the Association Rules and Regulations. The assessment of a fine shall be in accordance with the provisions of the Rules and Regulations, including a Schedule of Fines adopted by the Board.
- 13.2 **Remedies.** The voting rights of any Owner who is more than sixty (60) days' delinquent in his or her account with the Association may be suspended until the account is brought current, unless otherwise determined by the Board of Directors for good and reasonable cause. Violation of any provisions of the Governing Documents (including failure to timely pay an assessment) or of any decision of the Association made pursuant to such documents, shall give the Board of Directors acting on behalf of the Association, the right, but not the obligation, in addition to any other rights set forth in this Declaration or the Bylaws or under law, to do any or all of the following after giving notice (the provisions of this Article shall not apply to the following except number (e)):
- (a) Subject to the provisions of this Declaration, to enter the Unit as to which such violation exists and to summarily abate and remove, at the expense of the defaulting Owner, any structure, thing, or condition that may exist contrary to such provisions, and the Board of Directors shall not thereby be deemed guilty of any manner of trespass;
 - (b) To levy fines (in accordance with Section 13.1 above). A violation of any express rule, regulation, covenant, restriction or provision of any of the Governing Documents shall be subject to a fine in the amount set forth in a schedule of fines adopted by the Association from time to time, or in the absence of such schedule, \$100.00 for a first offense and \$200.00 for subsequent offenses of the same violation or \$150.00 per ten days for a continuous violation, and pursuant to Utah law;
 - (c) To terminate the right to receive utility or other services paid for by the

Association, and to terminate the right of access to and use of recreational and service facilities of the Association until the correction of the violation has occurred;

- (d) To suspend the voting rights of an Owner, but not for longer than sixty (60) days except in the case of a continuous violation; and
- (e) To enjoin, abate, or remedy such thing or condition by appropriate legal proceeding, and to otherwise bring suit or action against the Owner on behalf of the Association and/or other Owners to enforce the Governing Documents and the Association shall be entitled to recovery of its attorneys' fees and costs in such case.

- 13.3 **Board of Directors Action to Enforce Governing Documents – Parameters.** The Board of Directors shall use its reasonable judgment to determine whether to exercise the Association's powers to impose sanctions or pursue legal action for a violation of the Governing Documents, including whether to compromise a claim made by or against the Board of Directors or Association, and whether to pursue a claim for an unpaid Assessment. The Association may not be required to take enforcement action if the Board of Directors determines, after fair review and acting in good faith and without conflict of interest, that under the particular circumstances: (1) the Association's legal position does not justify taking any or further enforcement action; (2) the covenant, restriction, or rule in the Governing Documents is likely to be construed as inconsistent with current law; (3)(A) a technical violation has or may have occurred, and (B) the violation is not material as to a reasonable person or does not justify expending the association's resources; or (4) it is not in the Association's best interests to pursue an enforcement action, based upon hardship, expense, or other reasonable criteria. If the Board of Directors decides to forego enforcement, the Association is not prevented from later taking enforcement action. The Board of Directors may not be arbitrary, capricious, or against public policy in taking or not taking enforcement action. The Association's actions or inactions in enforcing or not enforcing a provision of the Governing Documents shall in no event be deemed to constitute a waiver or modification of that provision.
- 13.4 **Injunctive Relief.** Nothing in this Declaration shall prevent an Owner, the Association, or other interested party from resort to a court of competent jurisdiction in those instances where injunctive relief may be appropriate. In such an action, the violation of any covenants or restrictions in the Governing Documents shall be presumed to cause irreparable harm to the Association and its members.
- 13.5 **Promulgation of Additional Rules and Fines.** The Board is authorized to adopt and to amend the administrative Rules and Regulations as may be necessary or desirable to insure the property is maintained and used in a manner consistent with the interests of the Unit Owners, to protect and enhance the quality of life in the association, to protect the

property values of the Units, to ensure a quality and enjoyable lifestyle, and to respect the rights and privileges of all residents to be free from the annoyance, disturbance and nuisance of others. The method by which the Board may adopt new rules shall be in accordance with the Condominium Ownership Act.

ARTICLE XIV INSURANCE

14.1 Association Insurance.

- (a) Property and Liability Insurance. As required by the Act, the Association shall maintain a master insurance policy which includes: (1) blanket property insurance with not less than 100% of the full replacement cost for the physical structures in the condominium project, including Common Areas and Facilities, Limited Common Areas and Facilities, and Units, and including fixtures, improvements and betterments to a Unit made by a Unit Owner, insuring against all risks of direct physical loss commonly insured against, including fire and extended coverage perils; and (2) liability insurance, in an amount to be determined by the Board for similar Associations, including medical payments insurance covering all occurrences commonly insured against for death, bodily injury, and property damage arising out of or in connection with the use, ownership, or maintenance of the Common Areas and Facilities.
- (i) The Association's property insurance shall include coverage for any fixture, improvement, or betterment installed by a Unit Owner to a Unit or to a Limited Common Area, including a floor covering, cabinet, light fixture, electrical fixture, heating or plumbing fixture, paint, wall covering, window, and any other item permanently part of or affixed to a Unit or to a Limited Common Area element associated with a Unit.
- (ii) Each Unit Owner is an insured person under the Association's property insurance policy. Each Unit Owner is an insured person under a liability insurance policy that the Association obtains, but only for liability arising from: (1) the Unit Owner's Percentage Interest in the Common Areas and Facilities, (2) maintenance, repair, or replacement of Common Areas and Facilities, and (3) the Unit Owner's membership in the Association.
- (b) Fidelity Insurance or Bond. The Association shall obtain and maintain adequate fidelity coverage to protect against dishonest acts by its officers, members of the Board of Directors, employees, and all others who are responsible for handling funds of the Association, including any property manager. Such fidelity coverage shall: (i) name the Association as an obligee; (ii) not be less than the estimated maximum of funds, including reserve funds, in the custody of the Association or managing agent, as the case may be, at any given time, and shall in no event be in

an amount less than three months assessments on all Units plus reserves; (iii) contain an appropriate endorsement(s) to the policy to cover any persons who serve without compensation if the policy would not otherwise cover volunteers, and to cover the Association's management agent, if the Association has delegated some or all of the responsibility for the handling of funds to a management agent; (iv) provide that coverage may not be canceled or substantially modified (including cancellation for nonpayment of premiums) without at least ten days prior written notice to the Association or any insurance trustee.

- (c) Flood Insurance. If any portion of the Project is deemed to be located within an area which has been officially identified by the Secretary of Housing and Urban Development as having special flood hazards and for which flood insurance has been made available under the National Flood Insurance Program, the Association shall be required to obtain and pay the premiums upon a "master" or "blanket" policy of flood insurance on the buildings and any other property covered by the required form of policy in an amount deemed appropriate by the Association but not less than the lesser of: (1) the maximum coverage available under the NFIP for all buildings and other insurable property within the condominium to the extent that such buildings and other insurable property are within an area having special flood hazards; or (2) 100% of current replacement cost of all such buildings and other insurable property within such area.
- (d) Directors and Officers (D&O) Insurance. The Association shall purchase and maintain insurance on behalf of any person who was or is a Board of Directors member or officer of the Association, and any other person the Association is required by law or contract to indemnify, against any liability asserted against him or her or incurred by him or her in any such capacity or arising out of his or her status as such, whether or not the Association would have the power to indemnify him or her against such liability under the laws of the state of Utah, as the same may hereafter be amended or modified.
- (e) Other Insurance. The Association shall obtain such other insurance if and to the extent required by law or as the Board of Directors deems necessary from time to time, such as earthquake or workers' compensation insurance.
- (f) Loss Not Exceeding Deductible. If, in the exercise of the business judgment rule, the Board of Directors determines that a covered loss is likely not to exceed the policy deductible of the Association and until the covered loss exceeds the deductible of the property insurance of the Association and a claim is submitted to the property insurance insurer of the Association: (i) for a Unit to which a loss occurs, the Unit Owner's policy is considered the policy for primary coverage for the damage to that Unit; (ii) the Association shall pay for any loss for any Common Areas and Facilities for which a loss occurs; (iii) a Unit Owner who does not have a policy to cover the damage to that Unit Owner's Unit is responsible for that Unit damage and the Association may, as provided herein,

recover any payments the Association makes to remediate that Unit, and (iv) the Association need not tender the claim to the Association's insurer.

- (g) The Association shall set aside an amount equal to the amount of the Association's property insurance policy deductible or as otherwise required by law.
- (h) An insurer under a property insurance policy issued to the Association shall adjust with the Association a loss covered under the Association's policy.
- (i) Loss Due to Fault of Another. This Declaration does not prevent a person suffering a loss as a result of damage to property from asserting a claim, either directly or through subrogation, for the loss against a person at fault for the loss, except that, notwithstanding the foregoing, an insurer under a property insurance policy or liability insurance policy obtained by the Association waives the insurer's right to subrogation under the policy against: (1) any person residing with the Unit Owner, if the Unit Owner resides in the Unit, and (2) the Unit Owner.
- (j) Power of Attorney, Insurance Trustee. The Association may enter into an insurance trust agreement with a trustee (the "Insurance Trustee") who shall thereafter have exclusive authority to negotiate losses under any policy providing property or liability insurance and to perform such other functions as are necessary to accomplish this purpose. By purchasing a Unit, all Owners appoint the Association, or any Insurance Trustee designated by the Association as attorney-in-fact for the purpose of purchasing and maintaining the insurance specified in this section, including: (1) the collection and appropriate disposition of the proceeds thereof; (2) the negotiation of losses and execution of releases of liability; (3) the execution of all documents; and (4) the performance of all other acts necessary to accomplish such purpose. By purchasing a Unit, all Owners appoint the Association, or any trustee designated by the Association as attorney-in-fact for the purpose of representing the Owners in condemnation proceedings or negotiations, settlements, and agreements with the condemning authority for acquisition of the Common Areas, or part thereof, by the condemning authority.
- (k) The Association, or insurance trustee if any, shall hold any proceeds of insurance in trust for Unit Owners and their first mortgage holders as their interests may appear. The policies required herein for the Association must provide that they may not be cancelled or substantially modified without at least ten (10) days prior written notice to the Association and to each holder of a first mortgage listed as a scheduled holder of a first mortgage in the policies. No policies shall require that contributions or assessments may be made against borrowers, FNMA, FHLMC, or the designee of FNMA or FHLMC. Loss payments shall not be contingent upon action by the carrier's Board of Directors, policyholders, or members. The policies shall include: (1) a waiver of the right of subrogation against Unit Owners individually, (2) that the insurance is not prejudiced by any act or neglect

of individual Unit Owners which is not in the control of such Owners collectively.

- (l) The Association shall use generally acceptable insurance carriers. Specific requirements for qualifications of insurance carriers may be found in the FNMA Conventional Home Mortgage Selling Contract Supplement and the FHLMC Sellers Guide.

14.2 Unit Owner Insurance Responsibility. For Units, the Association's policy is primary, but the Unit Owner is responsible for the deductible as follows:

- (a) If a loss occurs that is covered by the Association's policy and by a Unit Owner's policy, the Association's policy provides primary insurance coverage, but the Unit Owner is responsible for the deductible of the association of Unit Owners, and Coverage A of the Unit Owner's policy applies to that portion of the loss attributable to the policy deductible of the Association.
- (b) If a Unit, or Limited Common Area element appurtenant to a Unit, suffers damage as part of a covered loss, the Unit Owner is responsible for an amount calculated by applying the percentage of total damage resulting in a covered loss that is attributable to Unit damage for that Unit to the amount of the deductible under the Association's policy. If a Unit Owner does not pay the amount required within 30 days after substantial completion of the repairs to, as applicable, the Unit or the Limited Common Area appurtenant to the Unit, the Association may levy an assessment against a Unit Owner for that amount.
- (c) The deductible under the Association's policy is subject to change from time to time by the Board of Directors. The Association shall provide notice to the Owners of any change in the amount of the deductible.
- (d) The Association's policy does not cover the contents of a Unit or an Owner's personal property. Each Owner is strongly encouraged to obtain insurance coverage for contents of their Unit, as well as for coverage in the event the Owner has to pay the Association's deductible as provided above.

ARTICLE XV SMOKE FREE COMMUNITY

- 15.1 **Smoking Defined.** The term "smoke," "smoking," or "tobacco smoke" as used herein includes (i) the inhaling, exhaling, burning, handling, or carrying of any lighted cigarette, cigar or other tobacco product, marijuana, illegal substance, (ii) vaping, or (iii) any other substance or item that emits smoke or a smoke-like substance.
- 15.2 **No Smoking.** Smoking is strictly prohibited within Country Station. No Unit Owner, family member of a Unit Owner, tenant, lessee, resident, occupant, guest, business

invitee, visitor or any other person (collectively referred to herein as "Resident") shall smoke inside any Unit, or Building, or within 25 feet of any Unit or building within Country Station Condominium Association. This prohibition includes but is not limited to Common Areas, enclosed Common Areas, Limited Common Areas, garages, and Units within the project and all porches, patios, decks and parking areas within Country Station Condominium Association.

- 15.3 **Enforcement.** Each Owner is responsible for the compliance with this rule by the Owner and all residents within the Owner's Unit, and for all guests and invitees of such Owner. In the event a Unit Owner, Resident, occupant, visitor or guest violates any provision of this Declaration, any Unit Owner or Resident at Country Station Condominium Association may bring an action to enforce this Declaration. The Board of Directors may bring an action to enforce this Declaration but shall not be required to do so unless it determines it is in the best interest of the Association to bring such an action.

Each Owner is responsible for the actions of all other persons residing within or visiting his/her Unit and shall be subject to disciplinary action, fines, court action for an injunction, or any remedies available for the violation of this non-smoking restriction. If any Resident or if the Country Station Condominium Association Board of Directors hires legal counsel to enforce this non-smoking restriction, the Resident or Country Station Condominium Association shall be entitled to recover all attorney fees and costs incurred in connection with such enforcement, whether or not litigation has been commenced. Country Station Condominium Association may collect attorney fees and costs it incurs by any lawful means, including through the use of a special assessment levied against the Owner of the Unit or by placing a lien for the amount owed against the violating Unit Owner's Unit.

- 15.4 **Violation by Non-Owners.** To the extent a lease is permitted, any Owner who leases his or her Unit shall expressly prohibit smoking in the lease agreement itself and shall inform their tenants of the Association's no smoking rule. Any Unit Owner who is currently leasing their Unit shall incorporate a no smoking provision into its lease agreement at the expiration of the current term of the existing agreement. If, as of the date of this Declaration, no agreement exists, the tenants are on a month-to-month tenancy, or the tenants are hold-over tenants, the Owner shall enter into an agreement with his/her tenants prohibiting smoking in the Unit effective immediately. Any Owner who leases his or her Unit shall be responsible to pay any and all fines levied against his or her Unit for violations of this Section by the tenants in the Unit and shall be responsible for immediate abatement of any such nuisance(s).
- 15.5 **Recovery.** The Board or any Resident who brings legal action against a Resident that violates this Declaration shall be entitled to recover costs and attorney fees from the offending Unit Owner and/or Resident.
- 15.6 **Presumptions.** A Resident shall be presumed to be smoking in a Unit if residents in

adjoining Units do not smoke and can smell smoke in their Unit and (i) the Resident accused of smoking has been observed smoking in or about the premises, or (ii) the Resident has admitted to being a smoker. The burden of proof shall be on the Resident accused of smoking to prove that they have not smoked in their Unit and that the smoke has come from another Unit or source.

- 15.7 **Nuisance.** Nothing herein shall be construed to prevent any Resident of Country Station Condominium Association from bringing an action hereunder or under the laws of the State of Utah to seek an injunction or damages against any Resident who creates a nuisance through smoking or using tobacco in a Unit or in the Common Areas at Country Station Condominium Association, nor shall any provision hereof be construed as authorization from the Board or the Association for a Resident to smoke in a Unit or in the Common Areas in such a manner so as to create a nuisance.
- 15.8 **Fines.** The Board of Directors shall have the authority to assess a fine against any Owner and / or resident who violates this Rule. Fines shall be levied pursuant to the Association's Rules and Regulations and/or separately adopted Schedule of Fines.

ARTICLE XVI DISPUTE RESOLUTION

- 16.1 **Introduction.** It is in the best interest of the Owners, the Association, the Board, the officers, and committee members (the "Parties") to encourage the amicable resolution of disputes arising out of the legal rights and obligations described in this Declaration without the emotional and financial costs of litigation. Each Owner and the Association agrees that before filing suit in any court it will first submit to the Alternative Dispute Resolution Procedures set forth below, (the "ADR Procedures"), with respect to any claim, grievance or dispute arising out of or relating to the Governing Documents, (the "Claims"); provided, that a Party may demand arbitration prior to complying with the ADR Procedures if demanding arbitration is required to satisfy the statute of limitations for the Party's Claim. In such an event, the Party demanding arbitration shall simultaneously stay the arbitration until the ADR Procedures have been satisfied.
- 16.2 **Exceptions.** Notwithstanding the foregoing, the ADR Procedures shall not be required for the following Claims unless all Parties to the matter agree to submit the matter to the ADR Procedures:
- (a) any suit between Owners which does not include the Association as a party, if such suit asserts a claim which would constitute a cause of action independent of the Governing Documents;
 - (b) any suit in which any indispensable party is not bound by this Article XVI;
 - (c) any collection activity, action or suit brought by the Association against an Owner

involving the collection of delinquent Assessments, special assessments, Fines or Common Areas fees;

- (d) actions by the Association to collect Assessments or other amounts due from any Owner; and
- (e) actions brought by the Association to obtain a temporary restraining order, preliminary injunctive relief, or other preliminary equitable relief and such ancillary relief as the Association may deem necessary in order to enforce the provisions of this Declaration (an "Enforcement Action").

16.3 **Procedure for Disputes Between Owners.**

- (a) **Good-Faith Discussion.** The aggrieved Party ("Complainant") shall attempt to resolve the Claim with the other Party ("Respondent") through good-faith discussion.
- (b) **Submission of Complaint.** If the Claim is not resolved through good-faith discussion, Complainant shall provide the Board and each Respondent with a written statement of the material facts of the Claim (the "Complaint"). The Complaint shall include the following:
 - (i) the nature of the Claim, including the parties involved and the Respondent's role in the Claim;
 - (ii) a brief description of the discussions of the parties and their attempts to resolve the Claim informally;
 - (iii) copies of relevant documents supportive of Complainant's position; and
 - (iv) Complainant's proposed resolution or remedy. The Complaint must include all Claims that exist between the Parties at that time. Any Claim not included in the Complaint is expressly waived by the Complainant. Respondent shall have fifteen (15) days from receipt of the Complaint to file a response (the "Response") with the Complainant and the Board. The Response must include any Claim that the Respondent has concerning the Complainant at the time that the Response is submitted to the Board. Any Claim that is not included in the Response is expressly waived by the Respondent. The Response shall include any documents, descriptions, explanations or other material supporting the Response.

- 16.4 **Review by Board.** The Board shall undertake a reasonable review of the Complaint and the Response and shall issue a written decision, including an explanation of the reasons for the decision, within thirty (30) days of receipt of the Response. A copy of the

decision shall be sent to the Parties promptly via first class mail. The Board's decision shall be the final and binding resolution of the Claims submitted in the Complaint and the Response unless within thirty (30) days from the date that the decision is mailed either Party delivers to the Board and all other Parties a Notice of Objection to the Board's Decision and Intent to Submit to Mediation.

16.5 Mediation.

- (a) Within thirty (30) days of receipt of the Notice of Objection to the Board's Decision and Intent to Submit to Mediation, the Board shall contact the Parties with proposed mediation dates and a list of potential mediators. A neutral third-party or professional mediator that has been agreed to by the Parties shall conduct the mediation.
- (b) The mediation shall be held in the State of Utah at a location agreed upon by the Parties. Unless otherwise agreed by the Parties, the mediation shall take place no later than three (3) months from the date of the Board's decision. If the Parties do not agree to extend this period and mediation does not occur within this time period, then this requirement is deemed to be satisfied.
- (c) Unless otherwise agreed by the Parties, all fees and costs of the mediation shall be borne by the Party submitting the Notice of Objection to the Board's Decision and Intent to Submit to Mediation.

16.6 Arbitration.

- (a) All Claims between the Parties not otherwise resolved shall be submitted to binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association. Unless otherwise agreed upon by the Parties in writing, demand for arbitration must be made within thirty (30) days of the mediation or the expiration of the period for holding the mediation as set forth above. Failure to demand arbitration within thirty (30) days is an express waiver of the Notice of Objection to the Board's Decision and Intent to Submit to Mediation, and upon such waiver the Board's decision becomes the final and binding resolution of the Claims.
- (b) In no event shall a Party be entitled to demand arbitration of a Claim after the time for taking legal action on the Claim has expired.
- (c) The arbitration shall be held in the State of Utah at a location agreed upon by the Parties or determined by the arbitrator.
- (d) The prevailing Party in the arbitration shall be awarded its reasonable attorneys' fees and costs associated with the dispute. Punitive damages, however, shall not be awarded in any dispute. Judgment upon the award rendered by the arbitrator may be

entered in any court within the State of Utah.

- 16.7 **Procedure Subject to Change by Board.** The procedures outlined in this Article XVI may be amended from time to time by the Board without the consent of the Owners, as the Board deems necessary, in light of experience, to better accomplish the amicable resolution of disputes arising out of the legal rights and obligations described in the Governing Documents; provided, such modifications shall not take effect until three months after a copy of the new procedures is delivered to the Owners.
- 16.8 **Procedure for Disputes Between the Association and Owners.** Subject to the provisions of Section 16.2, any Owner who has a dispute with the Association, the Board, or any officer or member representing one of these groups, and who is not satisfied with the decision of the Association or the Board, shall follow the procedures outlined in Section 16.3 above.

ARTICLE XVII DAMAGE OR DESTRUCTION

- 17.1 **Association as Attorney in Fact.** All of the Owners irrevocably constitute and appoint the Association their true and lawful attorney-in-fact in their name, place, and stead for the purpose of dealing with the Project upon its damage or destruction as hereinafter provided. Acceptance by a grantee of a deed from an Owner shall constitute an appointment by said grantee of the Association as his attorney-in-fact as herein provided. As attorney-in-fact, the Association shall have full and complete authorization, right and power to make, execute, and deliver any contract, deed, or other instrument with respect to the interest of an Owner which may be necessary or appropriate to exercise the powers herein granted.
- 17.2 **Definition of Repair and Reconstruction.** Repair and reconstruction of the improvements assessed herein, restoring the Project to substantially the same condition to which it existed prior to the damage or destruction, with each Unit and the Common Areas having substantially the same vertical and horizontal boundaries as before.
- 17.3 **Procedures.** In the event all or any part of the Project is damaged or destroyed and subject to the provisions of Article XVIII below, the Association shall proceed as follows:
- (a) **Notice of First Mortgagees.** The Association shall give timely written notice to any institutional holder of any first mortgage on a Unit in the event of substantial damage to or destruction of any Unit or any part of the Common Areas.
 - (b) **Estimate of Costs.** As soon as practicable after an event causing damage to or destruction of any part of the Project, the Association shall obtain complete and reliable estimates of the costs to repair and reconstruct that part of the Project

damaged or destroyed.

- (c) **Sufficient Insurance.** If the proceeds of the insurance maintained by the Association exceed the estimated costs to repair and reconstruct the damaged or destroyed part of the Project, such repair and reconstruction shall be carried out.
- (d) **Insufficient Insurance-Less than 75% Destruction.** If the proceeds of the insurance maintained by the Association are less than the estimated costs to repair and reconstruct the damaged or destroyed part of the Project and if less than seventy-five (75%) of the Project is damaged or destroyed, such repair and reconstruction shall nevertheless be carried out. The Association shall levy a special assessment sufficient to provide funds to pay the actual costs of such repair and reconstruction to the extent that such insurance proceeds are insufficient to pay such costs. Such special assessment shall be allocated and collected as provided in Section 17.3 hereof, except that the vote therein specified shall be unnecessary. Further levies may be made in like manner if the amounts collected are insufficient to pay all actual costs of repair and reconstruction.
- (e) **Insufficient Insurance-75% or More Destruction.** If the proceeds of the insurance maintained by the Association are less than the estimated costs to repair and reconstruct the damaged or destroyed part of the Project and if seventy-five percent (75%) or more of the Project is damaged or destroyed, such damage or destruction shall be repaired and reconstructed only if more than fifty-one percent (51%) of all the First Mortgagees approve the termination of the Project, or if within one hundred (100) days following the damage or destruction, the Owners shall elect by a vote of at least sixty-seven percent (67%) as the total votes of the Association to carry out such repair and reconstruction. If, however, the Owners shall not within one hundred (100) days after such damage or destruction, elect to carry out such repair and reconstruction, the Association shall record in the office of the Davis County Recorder, Davis County, State of Utah, a notice setting forth such fact. Upon the recording of such notice, the following shall occur:
 - (i) The Project shall be deemed to be owned in common by the Owners;
 - (ii) The Undivided Interest in the Project owned in common which shall appertain to each Owner shall be the percentage of the Undivided Interest previously owned by such Owner in the Common Areas;
 - (iii) Any liens affecting any of the Condominiums shall be deemed to be transferred, in accordance with the existing priorities, to the Undivided Interest of the respective Owner in the Project; and
 - (iv) The Project shall be subject to an action for partition at the suit of any Owner, in which event the net proceeds of any sale resulting from such suit for

partition, together with the net proceeds of the insurance of the project, if any, shall be considered as one fund and shall be divided among all Owners in a percentage equal to the percentage of Undivided Interest owned by each respective Owner in the Common Areas, as set forth in **Exhibit "C"**, after first paying out of the respective share of each Owner all liens on the Undivided Interest in the Project owned by such Owner.

- (v) In no event shall an Owner of a Unit or any other party have priority over the institutional holder of any first mortgage on such Unit with respect to the distribution to such Unit of any insurance proceeds.

- 17.4 **Repair or Reconstruction.** If the damage or destruction is to be repaired and reconstructed as provided above, the Association shall diligently pursue to completion the repair and reconstruction of that part of the Project damaged or destroyed. The Association may take all necessary or appropriate action to effect repair and reconstruction, as attorney-in-fact for the Owners, and no consent or other action by any Owner shall be necessary in connection therewith, except as otherwise expressly provided herein. The Project shall be restored or repaired to substantially the same condition in which it existed prior to the damage or destruction, with each Unit and the Common Areas having the same vertical and horizontal boundaries as before. Any restoration or repair of the Project, after a partial condemnation or damage due to an insurable hazard shall be performed substantially in accordance with this Declaration and the original architectural plans and specifications, unless other action is first approved in writing by at least fifty-one percent (51%) of all First Mortgagees.
- 17.5 **Disbursement of Funds for Repair and Reconstruction.** If repair or reconstruction is to occur, the insurance proceeds held by the Association and any amounts received from assessments made shall constitute a fund for the payment of costs of repair and reconstruction after casualty. It shall be deemed that the first money distributed in payment for cost or repair and reconstruction shall be made from insurance proceeds; if there is a balance after payment of all costs of such repair and reconstruction, such balance shall be distributed to the Owners in proportion to their respective percentages of Ownership of the Common Areas.
- 17.6 **Amendment to Article.** This Article XVII shall not be amended unless the Owners of all Condominiums in the Project unanimously consent in a duly executed and recorded document.

ARTICLE XVIII CONDEMNATION

- 18.1 **Condemnation.** If at any time, all or any part of the Project shall be taken or condemned by any public authority under power of eminent domain, the provisions of this Article shall apply. A voluntary sale or conveyance of all or any part of the Project in lieu of condemnation, but under threat thereof, shall be deemed to be a taking of power of

eminent domain. If any Unit or portion thereof is made the subject of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Board of Directors shall give prompt written notice of any such proceeding or proposed acquisition to each Owner and to any First Mortgagee.

- 18.2 **Proceeds.** All compensation, damages, and other proceeds from any such taking by power of eminent domain (hereinafter the "condemnation award") shall be made payable to the Association and shall be distributed by the Board of Directors, on behalf of the Association as herein provided.
- 18.3 **Complete Taking.** In the event the entire Project is taken by power of eminent domain, condominium ownership pursuant hereto shall terminate and the condemnation award shall be allocated among and distributed to the Owners in proportion to their respective Undivided Interest in the Common Areas. Such distribution shall be made by check payable to the Mortgagees to the extent of their interest and the balance to the Owner.
- 18.4 **Partial Taking.** In the event less than the entire Project is taken, following shall occur:
- (a) Allocation of Award. As soon as practicable, the Board of Directors shall, on behalf of the Association, reasonably and in good faith, apportion the condemnation award between compensation, severance damages, or other proceeds, and shall allocate such apportioned amount and pay the same to the Owners as follows:
 - (i) The total amount apportioned to taking of or to the Common Areas shall be allocated among and distributed to all Owners, including Owners whose entire Units have been taken, in proportion to their respective Undivided Interests in the Common Areas;
 - (ii) The total amount apportioned to severance damages shall be allocated among and distributed to the Owners of those Condominiums that have not been taken, in proportion to their respective Undivided Interests in the Common Areas;
 - (iii) The respective amounts apportioned to the taking of or injury to a particular Unit shall be allocated and distributed to the Owner of such Unit;
 - (iv) The total amount apportioned to consequential damages and any other takings or injuries shall be allocated and distributed as the Association determines to be equitable under the circumstances;
 - (v) If apportionment or allocation is already established by negotiation, judicial decree, statute, or otherwise, the Association shall employ such apportionment and allocation to the extent it is relevant;

- (vi) Distribution of allocated proceeds shall be made by check payable first to the mortgagees to the extent of their interest and the balance to the Owner; and
 - (vii) No provision of this Article XVIII or any other provision in this Declaration, the Articles, or the Bylaws shall entitle the Owner of a Unit or other party to priority over any first Mortgagee holding any first mortgage on such Unit with respect to the distribution to such Unit of the proceeds of any award, settlement, or proceeds from any eminent domain of condemnation proceeding.
- (b) **Continuation and Reorganization.** If less than the entire Project is taken by power of eminent domain, condominium ownership pursuant hereto shall not terminate, but shall continue. In such event, the Project shall be reorganized as follows:
- (i) If any partial taking results in the taking of an entire Unit, then the Owner thereof shall cease to be a member of the Association and all voting rights and the Undivided Interest in the Common Areas appertaining to such Unit shall be reallocated to and shall appertain to the remaining Units in proportion to their respective Undivided Interests in the Common Areas.
 - (ii) If any partial taking results in the taking of a portion of a Unit and if no determination is made by the Board of Directors that such taking makes it impractical to use the remaining portion of such Unit for any lawful purpose permitted by this Declaration, then the fair market value of such remaining portion of the Unit shall be determined by the Board of Directors and all voting rights and the Undivided Interest in the Common Areas appertaining to such Unit shall be reduced in proportion to the diminution in fair market value of such Unit resulting from the taking. The voting rights and Undivided Interest in the Common Areas so divested from such Unit shall be reallocated to, and shall appertain to, such Units and the other Units in proportion to their respective Undivided Interest in the Common Areas; provided, however, that such Unit shall participate in such reallocation on the basis of the Undivided Interest reduced in accordance with the preceding sentence.
 - (iii) If any partial taking results in the taking of a portion of a Unit and if there is a determination by the Board of Directors that such taking makes it impractical to use the remaining portion of such Units for any lawful purpose permitted by this Declaration, then all voting rights and the entire Undivided Interest in the Common Areas appertaining to such Unit shall be reallocated to, and shall appertain to the remaining Units in proportion to their respective Undivided Interest, in the Common Areas, and the remaining portion of such Unit shall thenceforth be part of the Common Areas.
 - (iv) The Board of Directors shall have the duty and authority to make all

determinations and to take all actions necessary or appropriate to effectuate reorganization of the Project under the provisions of this Section; provided, however, that if any such determination shall have been made or such action taken by judicial decree, the Board of Directors shall defer thereto and proceed in accordance therewith.

- (c) **Repair and Reconstruction.** Any repair and reconstruction necessitated by condemnation shall be governed by its provisions specified in Article XVII hereof governing cases of damage or destruction, provided, however, that the provisions of said Article dealing with sufficiency or insufficiency of insurance proceeds shall not be applicable.

ARTICLE XIX OBSOLESCENCE

- 19.1 **Adoption of Plan.** Subject to the provisions of Article XX hereof, Owners holding sixty-seven percent (67%) or more of the total votes of the Association may agree that the Project is obsolete and adopt a written plan for the renewal and reconstruction of the Project. Written notice of adoption of such a plan shall be given all Owners and First Mortgages.
- 19.2 **Payments for Renewal and Reconstruction.** The Association shall levy a special assessment sufficient to provide funds to pay the estimated expenses of renewal or reconstruction. Such special assessment shall be allocated and collected as provided in Section 11.3 hereof, except that the vote therein specified shall be unnecessary. Further levies may be made in like manner if the amounts collected proves insufficient to pay the actual expenses of such renewal or reconstruction. In the event amounts collected pursuant hereto are in excess of the amounts required for renewal or reconstruction, such excess shall be distributed to the Owners in proportion to their respective percentages of ownership in the Common Areas.
- 19.3 **Sale of Project.** Subject to the provisions of Article XX hereof, the Owners may at any time by an affirmative vote of at least sixty-seven percent (67%) of the total votes of the Association at a special meeting of the members of the Association duly called for such purpose, elect to sell or otherwise dispose of the Project. In such event, the Board of Directors shall forthwith record in the office of the County Recorder of Davis County, State of Utah, a notice setting forth such facts, and upon the recording of such notice by the Board, the project shall be sold or otherwise disposed of by the Board of Directors as attorney in fact for all of the Owners. Such action shall be binding upon all Owners and each Owner shall have the duty to execute and deliver such instruments and to perform all acts in such manner and form as may be necessary or appropriate to effect such sale or other disposition of the Project. The proceeds of such sale or disposition shall be apportioned among the Owners in proportion to their respective Undivided Interest in the Common Areas, and such apportioned proceeds shall be paid into separate accounts, each

such account representing one Condominium. Each such account shall remain in the name of the Association and shall be further identified by the Condominium designation and the name of the Owner. The Board of Directors, as attorney in fact, shall use and disburse the total amount of each such account, without contribution from one account to another, first to the payment of valid tax and special assessment liens on the Condominium in favor of any governmental assessing authority, second to the payment of any First Mortgage holding a first mortgage lien on the condominium, third to the payment of assessments made pursuant to this Declaration, fourth to the payment of other holders of liens or encumbrances of the Condominium in the order of priority of their liens, and the balance remaining, if any, to the respective Owner.

- 19.4 **Amendment of Article.** This Article XIX shall not be amended unless approved by at least sixty-seven percent (67%) of the Owners.

ARTICLE XX MORTGAGE PROTECTION

- 20.1 **Notice of Action to First Mortgagee.** The term “Eligible Holder” shall mean any First Mortgagee who has requested notice as set forth herein and “Eligible Insurer or Guarantor” shall mean any insurer or governmental guarantor who has requested such notice. Upon written request made to the Association by a First Mortgagee, specifying the name and address of the First Mortgagee and the Unit number or address of the Unit, any such First Mortgagee shall be entitled to timely written notice of:
- (a) Any condemnation loss or any casualty loss which affects a material portion of the Project or any Unit or which there is a first mortgage held, insured, or guaranteed by such First Mortgagee;
 - (b) Any delinquency in the payment of assessments or charges owed by the Owner of a Condominium that is subject to a first mortgage held, insured, or guaranteed by such First Mortgagee, which remains uncured for a period of sixty (60) days;
 - (c) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;
- 20.2 **Prior Liens Relate Only to Individual Condominiums.** All taxes, assessments and charges, which may become liens prior to the first mortgage under local law shall relate only to the individual Condominiums and not to the Project as a whole.
- 20.3 **Subordination of Common Expense Lien.** Any lien, which the Association may have on any Condominium in the Project for the payment of common expense assessments attributable to such Condominium and any fees, late charges, taxes or interest levies by the Association in connection therewith shall be subordinate to the lien or equivalent security interest of any first mortgage on the Condominium recorded prior to the date on

which any such common expense assessments became due, subject to any Utah law limiting the ability of a first mortgage to avoid payment of a portion of the assessments incurred during the foreclosure process.

- 20.4 **Information Made Available to First Mortgagee Upon Request.** Any First Mortgagee shall, upon request, be entitled to:
- (a) inspect the books and records of the Association during normal business hours; and
 - (b) receive an annual financial statement of the Association within ninety (90) days following the end of any fiscal year of the Project, and
 - (c) written notice of all meetings of the Association and be permitted to designate a representative to attend all such meetings.
- 20.5 **First Mortgagee Rights in Event of Foreclosure.** Each holder of a first mortgage lien on a Unit who obtains title to the Unit pursuant to the remedies provided in the Mortgage, or by deed or assignment in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the Unit free of any claims for unpaid assessments and charges against the Unit which accrue prior to the acquisition of title to such Unit by the Mortgagee, except for claims for a pro rata reallocation of such assessments or charges to all Units in the Project including the mortgaged Unit, or except as provided by Utah law.

ARTICLE XXI RESERVE FUND & CONTINGENCY FUND

- 21.1 **Reserve Fund.** The Association shall comply with Utah law regarding condominium reserve funds, which law is currently found in U.C.A. § 57-8-7.5.
- 21.2 **Establishment of Contingency Fund.** The Board shall maintain no less than \$30,000.00 in a contingency fund. The money in this fund shall be used for emergency spending only.
- 21.3 **Contingency Expenditure Limitations.** Spending money from the contingency fund shall be limited to the payment of the Association's insurance deductible or to replace structural damages to buildings caused by the elements or other acts of God and not covered by insurance. The contingency fund shall not to be used to make improvements to the Common Areas, for regular maintenance of the Common Areas, or to replace portions of the Common Areas unless voted on and approved by at least fifty-one percent (51%) of the Owners.
- 21.4 **Replenishing Contingency Fund.** If the contingency fund is reduced below the required \$30,000.00 minimum, the Board shall re-establish the contingency fund to the baseline level of \$30,000.00 through regular assessments, if possible, and shall provide a written

budget plan to all Owners demonstrating how the Board will replenish the contingency fund to the baseline within a twenty-four (24) month to thirty-six (36) month time frame. The Board may, after first receiving a vote approving of the special assessment of not less than sixty-seven percent (67%) of the Owners, levy a special assessment to re-establish the amount required to be maintained in the contingency fund.

ARTICLE XXII COMPLIANCE WITH DECLARATION AND BYLAWS

- 22.1 Each Owner shall comply strictly with the provisions of this Declaration, the Articles of Incorporation and Bylaws of the Association, Rules and Regulations promulgated by the Association, and the decisions and resolutions of the Association adopted pursuant thereto, as the same may lawfully be modified and amended from time to time. Failure to comply with any of the same shall be grounds for an action to recover sums due for damages or for injunctive relief or for both, maintainable by the Association or, in a proper case, by an aggrieved Owner.

ARTICLE XXIII PARKING

- 23.1 **Rules Governing Parking.** Owners must use their garages and driveways for parking. The Board is authorized to promulgate additional rules and requirements regarding parking as it deems necessary from time to time. All Owners and guests are subject to all additional parking restrictions and rules.
- 23.2 **Fines for Parking Violations.** All fines shall be assessed in accordance with the Rules and Regulations and/or separately adopted Schedule of Fines.
- 23.3 **Guest Parking.** All requirements binding upon Owners, tenants and guests shall be set forth in the Association's separately adopted Rules and Regulations.
- 23.4 **Towing or Vehicles.** Owners and residents who violate the Association's parking rules may have their vehicle towed from the Property. Prior to towing a vehicle, the Board shall place a written notice on the windshield of the vehicle, and, if the owner of the vehicle is known, on the door of the Unit in which the vehicle owner resides, informing the vehicle owner that the vehicle will be towed if the vehicle is not removed within twenty-four (24) hours. No advance written notice is required if the vehicle is parked in a fire lane or in a location to impede the free flow of other vehicles. A vehicle that is parked in violation of the Association's parking rules need only be notified of a violation once for the same violation in any sixty (60) day period. After the first written notice the vehicle may be towed for a subsequent violation within sixty (60) days of the first written notice. The assessment of a fine shall not prohibit the Board from towing a vehicle.

ARTICLE XXIV AMENDMENTS

- 24.1 The affirmative vote of at least sixty seven percent (67%) of the Owners shall be required and shall be sufficient to amend the Governing Documents or the Plat Map. Any amendment so authorized shall be accomplished through the recordation of an instrument executed by the Board. In such instrument the Board shall certify that the vote required by this Article for amendment has occurred, and, if approval of a specified percentage of first mortgagees is required for such amendment, that such approval has been obtained. The foregoing right of amendment shall, however, be subject to the following:
- (a) Amendment of this Declaration Must Be in Writing and Recorded. All amendments to the Declaration approved by the Unit Owners must be in writing and shall be effective upon recordation in the Office of the County Recorder of Davis County, Utah.
 - (b) Consent in Lieu of Vote. In any case in which this Declaration requires the vote of an Owner for authorization or approval of an act or a transaction, such requirement may be fully satisfied by obtaining, with or without a meeting, consents in writing to such act or transaction from Owners who collectively hold the required percentages, subject to the following conditions;
 - (c) 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
 - (d) 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.

ARTICLE XXV GENERAL PROVISIONS

- 25.1 **Intent and Purpose.** The provisions of this Declaration, and any supplemental or amended declaration, shall be liberally construed to effectuate the purpose of creating a uniform plan for the development and operation of a Condominium Project. Failure to enforce any provision, restriction, covenant, or condition contained in this Declaration shall not operate as a waiver of any such provision, restriction, covenant, or condition of any other provisions, restrictions, covenants or conditions.
- 25.2 **Construction.** The provisions of this Declaration shall be in addition and supplemental to the provisions of the Condominium Act and all other provisions of law. Whenever used herein, unless the context shall otherwise require, the single shall include the plural, the plural shall include the single, the whole shall include any part thereof, and any gender

shall include both genders. The article and section headings set forth herein are for convenience and reference only and are not intended to expand, limit, or otherwise affect the meaning or interpretation of this Declaration or any provision hereof.

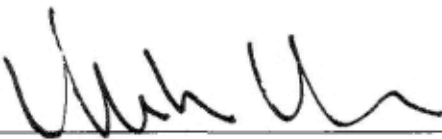
- 25.3 **Severability.** If any of the provisions of this Declaration or any paragraph, sentence, clause, phrase or word or the application thereof in any circumstance be invalidated, such invalidity shall not affect the validity of the remainder of the Declaration and the application of any such provision, paragraph, sentence, clause, phrase or word in any other circumstances shall not be affected thereby.
- 25.4 **Notice and Registration of Mailing Address.** Each Owner shall register from time to time with the Association his current mailing address and email address. Any notice permitted or required to be delivered as provided herein shall be in writing and may be delivered either personally, by mail, or by electronic means as provided in the Bylaws. If delivery is made by mail, it shall be deemed to have been delivered forty-eight (48) hours after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to any person at the address given by such person to the Association for the purpose of service of such notice, or to the residence of such person if no address has been given to the Association. Such address may be changed from time to time by notice in writing to the Association.
- 25.5 **Effective Date.** This Declaration shall become effective upon recording.
- 25.6 **Agent for Service.** The person designated to receive service of process on behalf of the Project, in the cases provided by the Act, is the registered agent of the Association as designated by the Association from time to time with the Utah Division of Corporations and Commercial Code.
- 25.7 **Priority of Governing Documents.** To the extent possible under the law and in light of the requirement of the Act that organizational documents for a non-profit corporation shall not conflict with the rights and obligations found in the Declaration and Bylaws, in the event of any conflict between or among this Declaration and any other Governing Document, the document in the highest priority beginning with the first document listed hereinafter shall prevail (as to any such conflict) over any later listed document: the Act, the Utah Revised Non-profit Corporations Act, the Plat and the Declaration (which have equal priority), Articles of Incorporation (or other organizational documents of the Association), the Bylaws, and the Rules and Regulations.
- 25.8 **Recovery of Costs and Attorney Fees.** The Association shall be entitled to recover its costs and attorney's fees incurred for enforcement of this Declaration regardless of whether any lawsuit or other action is commenced. Such costs and attorney's fees shall automatically be and constitute an assessment against the Owner and the Unit. Additionally, the prevailing party shall be entitled to its attorney fees and costs in any dispute concerning any Governing Document, including an action dealing with the

declaration of rights and obligations thereunder with or without a defaulting party, whether such costs and expenses are incurred with or without suit; before or after judgment; in any appeal; in any bankruptcy or receivership proceeding; or in connection with any alternative dispute resolution proceeding.

25.9 **Limitation on Association's Liability.** The Association shall not be liable for any failure of water services or other utility service to be obtained and paid for by the Association hereunder, or for injury or damage to any person or property caused by the elements or by another Owner or person in or upon the Project, or resulting from electricity, water, rain, snow or ice which may leak or flow from outside or from any part of the Buildings or its drain pipes, conduits, appliances, or equipment, or from any other place, unless caused by the gross negligent or willful misconduct of the Association. No diminution or abatement of any assessments under this Declaration shall be claimed or allowed for inconvenience or discomfort arising from the making of any repairs or improvements to or maintaining the Project or any part thereof, or from any action taken to comply with the provisions of this Declaration or with the laws, ordinances, regulations, rules, or orders of any governmental authority.

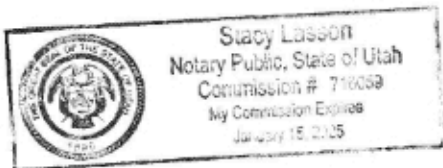
IN WITNESS WHEREOF, this 20 day of August, 2021.

COUNTRY STATION CONDOMINIUM OWNERS ASSOCIATION, INC.

By: 
President

STATE OF UTAH)
) ss:
COUNTY OF DAVIS)

On the 20 day of August, 2021 personally appeared before me Michelle Nelson, who by me being duly sworn, did say that he/she is the President of Country Station Condominium Owners Association, Inc., and that the within and foregoing instrument was signed in behalf of said Association and did duly acknowledged to me that he/she executed the same.





Notary Public

EXHIBIT "A"
LEGAL DESCRIPTION

Country Station Condominiums
Bountiful, Davis County, Utah

All of Lots 1 through 12, Country Station Condominium, Phase 1, Bountiful, Davis County, Utah [03-117-0001 through 03-117-0012]

All of Lots 13 through 15, Country Station Condominium, Phase 2, Bountiful, Davis County, Utah [03-120-0013 through 03-120-0015]

All of Lots 16 through 17, Country Station Condominium, Phase 3, Bountiful, Davis County, Utah [03-122-0016 through 03-122-0017]

All of Lots 18 through 25, Country Station Condominium, Phase 4, Bountiful, Davis County, Utah [03-127-0018 through 03-127-0025]

All of Lots 26 through 28, Country Station Condominium, Phase 5, Bountiful, Davis County, Utah [03-138-0026 through 03-138-0028]

All of Lots 29 through 32, Country Station Condominium, Phase 6, Bountiful, Davis County, Utah [03-149-0029 through 03-149-0032]

All of Lots 33 through 42, Country Station Condominium, Phase 7, Bountiful, Davis County, Utah [03-150-0033 through 03-150-0042]

EXHIBIT "B"

BYLAWS
OF
COUNTRY STATION
CONDOMINIUM OWNERS, INC.
A Utah Nonprofit Corporation

ARTICLE I
NAME AND LOCATION

- 1.1 **Name.** The name of the corporation is Country Station Condominium Owners Association, Inc.
- 1.2 **Books and Records.** The Association shall maintain within the state of Utah all documents, information and other records of the Association in accordance with the Governing Documents, the Act, and the Utah Revised Nonprofit Corporation Act. The Association shall keep (or cause to be kept) as permanent records: (1) The Declaration, Bylaws and Articles of Incorporation, (2) minutes of all meetings of the Association and of the Board of Directors; (3) a record of all actions taken without a meeting by the Association members or the Board of Directors; (4) a record of all actions taken by a committee in place of the Board of Directors on behalf of the Association; and (5) a record of all waivers of notices of meetings of members and of the Board of Directors or any committee of the Board of Directors.

Any member of record, upon written demand stating the purpose thereof, shall have the right to examine, in person, or by agent or attorney, at any reasonable time or times, for any proper purpose, the same and to make extracts there from:

- (a) Its minutes of meetings of the Board of Directors and any committees thereof.
- (b) Its minutes of meetings of the Members.
- (c) Copies of its Articles of Incorporation and Bylaws as originally executed and adopted together with all subsequent amendments there to.

All books and records of account shall be kept at the corporation's principal place of business, the office of its Manager, or as otherwise determined by the Board of Directors.

- 1.3 **Record Retention Policy.** The Association shall maintain all documents, information and other records of the Association in accordance with the Declaration, these Bylaws, and relevant Utah law. The Association may adopt a record retention schedule for the Association to serve as a guideline for record keeping.
- 1.4 **Principle Place of Business.** The principal office of the Association shall be at that address listed on with the Utah State Department of Commerce, or the office of its Manager, Meetings of the Members and Board may be held at such times and places within the State of Utah as the Board of Directors may designate.

ARTICLE II DEFINITIONS

When used in these Bylaws the following terms shall have the meaning defined in the Declaration, or as indicated below:

- 2.1 **Articles.** The Articles shall mean and refer to the Articles of Incorporation of Country Station Condominium Owners Association, Inc.
- 2.2 **Association.** The Association shall mean the Country Station Condominium Owners Association, Inc., a Utah Nonprofit Corporation.
- 2.3 **Member.** Member shall mean every person or entity who acquires an ownership interest in a Condominium within the Condominium Project, whether by deed, purchase contract or otherwise, and whether or not recorded.
- 2.4 **Property.** Property shall mean the tract of real property situated in Davis, County, State of Utah, located at 499 North 200 West, Bountiful, Utah, and which is more particularly described in the records of the County Records Office for Davis County.
- 2.5 **Condominium Project.** Condominium Project shall mean the land, buildings, and improvements of the Country Station Condominium as described in the Declaration.

ARTICLE III MEETINGS OF MEMBERS

- 3.1 **Annual Meetings.** Each regular annual meeting of the members shall be held each year on the day and at a time and suitable place, within the State of Utah, designated by the Board of Directors of the Association.
- 3.2 **Special Meetings.** Special meetings of the Members may be called by either the President, a majority of the Board, or by any number of Members holding not less than one-third of the total votes of the Association, such request to be made in writing and stating the purpose of the meeting and to be delivered to the Board or the President.

- 3.3 **Notice of Meetings of Members.** It shall be the duty of the Secretary to provide notice of each annual or special meeting of Members, stating the purpose thereof as well as the day, hour and place where it is to be held, to each Owner of record at least ten (10) but not more than sixty (60) days prior to such meeting. The notice may set forth time limits for speakers and nominating procedures for the meeting. Electronic notice or the mailing of a notice, postage prepaid, shall be considered notice served, after said notice has been deposited in a regular depository of the United States mail. If no address has been furnished the Secretary, notice shall be deemed to have been given when mailed to the Unit.
- 3.4 **Notice by Electronic Means.** In any circumstance where notice is required to be given to the Owner, the Association may provide notice by electronic means, including text message, email, or an Association website, if the Board of Directors deems the notice to be fair and reasonable. An Owner may require the Association, by written demand, to provide notice to the Owner by regular U.S. mail. The Board of Directors is authorized to promulgate rules and procedures facilitating the implementation of this section as it deems fit from time to time, including requiring Owners to furnish the Association with a current email address so long as such email addresses are not deemed a record of the Association and shall only be used by the Board of Directors or the Manager, if any, for Association business.
- 3.5 **Waiver of Notice.** Any Member may waive notice of any meeting of Members, (however called or noticed, whether or not called or noticed and whether before, during or after the meeting) by signing a written waiver of notice or a consent to the holding of such meeting, or an approval of the minutes thereof Attendance at a meeting, in person or by proxy, shall constitute waiver of all defects of call or notice regardless of whether waiver, consent or approval is signed, or any objections are made. All such waivers, consents, or approvals shall be made a part of the minutes of the meeting.
- 3.6 **Quorum of Members.** Unless a greater number of votes are required under other provisions of the Bylaws, the Articles or Utah law, at any meeting of Members, those present in person or by proxy, regardless of their number, shall constitute a quorum, and the majority of those present in person, by proxy, or written ballot shall be the official and valid act of the Members.
- 3.7 **Votes.** There shall be one (1) vote per condominium, and if a condominium is jointly owned, all Owners thereof must act unanimously with respect to any vote to be cast. If the Owners cannot all agree on any given question, no vote from that condominium shall be accepted. The vote of one Owner, unless an objection is made at the meeting by other Owners of that condominium, shall be deemed the vote of all Owners of that condominium.
- 3.8 **Proxies.** At any meeting of Members, a Member may vote either in person, proxy, or written ballot. All proxies shall be filed with the Secretary of the Association before or at the time of the meeting. Unless otherwise provided therein, no proxy shall be valid after eleven (11) months from the date of its execution.

- 3.9 **Conducting Affairs, Electronic Means.** Any notice, transaction or action involving the business or affairs of the Association or the Board of Directors (whether or not expressly stated in any Articles or Sections of the Declaration or Bylaws), including but not limited to voting and providing notice or records, may be conducted by electronic means.

The Association may accept an electronic vote, consent, written ballot, waiver, proxy appointment, or proxy appointment revocation as the act of the Owner if the Association, through the Board of Directors, does so in good faith and has no reason to believe it is not the act of the Owner. Any such document or writing may be delivered in an electronic medium or by electronic transmission, and may be signed by photographic, electronic, or other means. An electronic record or electronic signature is attributable to a person if it was the act of the person. An electronic signature may consist of a mark, symbol, character, letter, or number or any combination thereof attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record and the same shall be considered the signature of such person. A writing includes any document, record, vote, ballot, proxy, or instrument required or permitted to be transmitted by a Member or by the Association.

- 3.10 **Action by Written Ballot in Lieu of a Meeting.** Any action that may be taken at any annual, regular, or special meeting of Owners may be taken without a meeting if the Association causes to be delivered a written ballot to every Member entitled to vote on the matter not less than ten (10) days prior to the date on which the ballots must be received by the Association in order to be counted. A written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written ballot pursuant to this section shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. All solicitations for votes by written ballot shall indicate the number of responses needed to meet the quorum requirements; state the percentage of approvals necessary to approve each matter other than election of directors; specify the time by which a ballot must be received by the Association in order to be counted; and be accompanied by written information sufficient to permit each person casting such ballot to reach an informed decision on the matter. In the event the action is for election of Board of Directors members, there shall be space on the ballot to write in nominations. Action taken under this section has the same effect as action taken at a meeting of Members and may be described as such in any document.
- 3.11 **Action without Notice and a Meeting.** Any action required to be taken or which may be taken at a meeting of Members may be taken without a meeting and without prior notice if one or more consents in writing, setting forth the action so taken, are signed by Members having not less than the minimum voting power that would be necessary to authorize or take the action at a meeting at which all Members entitled to vote on the action were present and voted. All such writings must be received by the Association within a sixty-day period. Any such writing may be received by the Association by

electronically transmitted facsimile or other form of communication providing the Association with a complete copy thereof, including a copy of the signature thereto. Action taken pursuant to this section shall be effective when the last writing necessary to affect the action is received by the Association, unless the writings describing and consenting to the action set forth a different effective date.

ARTICLE IV BOARD OF DIRECTORS

- 4.1 **Number, Tenure and Qualifications.** The business and affairs of the Association shall be managed by a Board of Directors composed of up to seven (7) members, as determined by the Board. The Board of Directors shall be elected by the vote of the Members at a regular meeting of Members or at a meeting of Members called for that purpose. Each member of the Board of Directors shall serve for a period of two (2) years or until a successor is elected and qualified. In order to assure continuity in the management of the Association's affairs, the terms of the Board shall be staggered, with at least one (1) director being elected each year. At the annual election of the Board, only those Board members whose terms have expired will stand for election for a two (2) year term. All members of the Board of Directors must be a Member of the Association in good standing (current on assessments and free of any violations).
- 4.2 **Compensation.** No Board member shall receive compensation for any service he or she may render to the Association as a Board member. However, any Board member may be reimbursed for actual expenses incurred in the performance of his or her duties.
- 4.3 **Action Taken Without a Meeting.** The Board of Directors shall have the right to take any action which they might otherwise take without first holding a meeting. Any action so taken shall be approved or ratified in writing signed by all Board members. Any action so taken shall have the same effect as though taken at a meeting of the Board of Directors.
- 4.4 **Vacancies.** A vacancy or vacancies in the Board of Directors shall exist in case of the death, resignation or removal of any Board member, or if the authorized number of Board members is increased, or if the Members fail, at any annual or special meeting at which any Board member is elected, to elect the full authorized number of Board members to be voted for at that meeting. Also, the Board of Directors may declare vacant the office of a Board member if he is found to be of unsound mind by an order of a court of competent jurisdiction or convicted of a felony or misdemeanor involving moral turpitude or if, within sixty (60) days after notice of his election, he does not accept the office either in writing or by attending a meeting of the Board of Directors. Any vacancy occurring may be filled by the affirmative vote of a majority of the remaining Board members (or a sole remaining Board member) although less than a quorum. A Board member elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office, or if there was no predecessor, until the date set under these Bylaws for the next annual meeting and until his successor is elected. Any vacancy created by reason of the removal of one or

more Board members by the Members may be filled by election of the Members at the meeting at which the Board member or Board members are removed.

4.5 Removal of Board of Directors members.

(a) At any annual or special meeting, any one or more of the Board of Directors members may be removed, with or without cause, by a majority of the total votes of the Members. A successor may be elected at that meeting to fill the vacancy thus created. The notice of the meeting must state that the removal is to be considered and any Board member whose removal has been proposed by the Owners may be given an opportunity to be heard at the meeting.

(b) A Board of Directors member who is delinquent in the payment of an Assessment for longer than three months, is absent from three consecutive regular Board meetings, or is absent from more than 25% of the regular Board meetings held in any 12-month period, shall be deemed to have tendered his or her resignation, and upon acceptance by the Board of Directors their position shall be deemed vacant. The vacancy shall be filled as provided in Section 4.4 above.

(c) Any one or more Board members may be removed, with or without cause, by a majority of the Board at any regular meeting of the Board of Directors and the Board may establish a code of conduct or standards by which such decisions are made.

**ARTICLE V
POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

5.1 **Powers.** The Board of Directors shall have power to:

- (a) Adopt and publish Rules and Regulations governing the use of the Common Areas, and personal conduct of the Members and their agents and quests thereon, and establish penalties for the infractions thereof;
- (b) Exercise each and every power granted in the Declaration or by law to levy, assess, collect and enforce the regular and special assessments of the Association.
- (c) Exercise for the benefit of the Association and its Members all of the powers granted by the Declaration or otherwise granted to the Association by law and not reserved to the Members by the Articles or the Declaration.
- (d) Delegate any rights and powers of the Board, or its officers, to other persons or agents representing the Association, including a property management company, attorneys or accountants, as the Board deems necessary or appropriate from time to time.

5.2 **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 such other times as requested in writing in accordance with the provisions of the Declaration or the law;
- (b) Supervise all officers, agents, and employees of the Association;
- (c) Fix the amount of the regular and special assessments against the Units and Owners and send written notice of such assessments to the Owners and others in accordance with the provisions of the Declaration.
- (d) Foreclose the liens of the Association against Units as provided in the Declaration;
- (e) Cause the Common Areas to be properly maintained;
- (f) Prepare and issue all reports, notices, and certificates called for by the Declaration;
- (g) Procure and maintain adequate liability and hazard insurance on the Condominiums and Common Areas as required by the Declaration;
- (h) Obtain such fidelity bonds for employees and officers as required by the Declaration and as may be appropriate;
- (i) Do each thing required of the Board of Directors by the Declaration and otherwise manage the affairs of the Association for the benefit of its Members.

ARTICLE VI MEETINGS OF THE BOARD

- 6.1 **Regular Meetings.** Regular meetings shall be held at such place and time, within the State of Utah, as the Board establishes for such regular meetings by resolution.
- 6.2 **Special Meetings.** Special meetings of the Board may be called by the President or two or more Board members, which shall be held within the State of Utah, at such place and time specified in notification provided by the person(s) calling such meeting.
- 6.3 **Notice.** Written notice of the place, date and time of any special meeting shall be given at least three (3) days prior to the meeting. Such notice will be deemed to have been furnished if mailed first class postage prepaid at least six (6) days prior to the meeting to each Board member at the address for such Board member on record with the Association as of the date of mailing. Attendance of any Board member at a meeting shall constitute a waiver of notice of such meeting unless the Board member attends for the express purpose of objecting to the meeting as not having been properly convened. Neither the business to be transacted nor the purpose of any meeting need be specified in the notice thereof.

- 6.4 **Quorum.** Three Board members shall constitute a quorum for the transaction of any business of the Association. A majority of the number of Board members fixed by these Bylaws shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.
- 6.5 **Open Meetings; Executive Sessions.**
- (a) **Open Meetings.** Except as provided in subsection 6.5(c), all meetings of the Board of Directors shall be open to Owners. At each meeting, the Board of Directors may provide Owners a reasonable opportunity to offer comments. The Board of Directors may limit the comments to one specific time period during the meeting. The president or Board of Directors shall have the authority to exclude an Owner who disrupts the proceedings at a Board of Directors meeting.
 - (b) **Executive Sessions.** Consistent with Utah Code, Title 57, Section 8, Chapter 57, in the discretion of the Board of Directors, the Board of Directors may close a Board of Directors meeting and adjourn to executive session as provide to: (a) consult with an attorney for the purpose of obtaining legal advice; (b) discuss ongoing or potential litigation, mediation, arbitration, or administrative proceedings; (c) discuss a personnel matter; (d) discuss a matter relating to contract negotiations, including review of a bid or proposal; (e) discuss a matter that involves an individual if the discussion is likely to cause the individual undue embarrassment or violate the individual's reasonable expectation of privacy; or (f) discuss a delinquent assessment or fine.
 - (c) **Executive Session Procedure.** Except in the case of an emergency, the Board of Directors shall vote in an open meeting whether to meet in executive session. If the Board of Directors votes to meet in executive session, the president or other presiding officer shall state the general nature of the action to be considered and, as precisely as possible, when and under what circumstances the deliberations can be disclosed to owners. The statement, motion or decision to meet in executive session must be included in the minutes of the meeting.
- 6.6 **Meetings by Telephonic or Electronic Communication.** In the event of an emergency, or by decision of the Board of Directors, meetings of the Board of Directors may be conducted by means of electronic communication that allows all members of the Board of Directors participating to be able to communicate orally in real time. Emergency Committee meetings under this section do not require notice to Members but any decision shall be contained in the minutes. If Board of Directors meetings are held by telephonic or electronic communication, then a method by which Owners can participate and listen in real time must be provided.
- 6.7 **Waiver of Notice.** Any Board of Directors member may, at any time, waive notice of any meeting of the Board of Directors in writing, and the waiver shall be deemed equivalent to the giving of the notice. Attendance by a Board of Directors member at any meeting of the Board of Directors shall constitute a waiver of notice by the Board of

Directors member, except where the Board of Directors member attends the meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. If all Board of Directors members are present at any meeting of the Board of Directors, no notice to Board of Directors members shall be required and any business may be transacted at the meeting.

ARTICLE VII OFFICERS

- 7.1 **Number and Qualifications.** The Board may select such officers of the Association as they shall determine but at least a President and Secretary shall be elected. Officers must be Members of the Association in good standing.
- 7.2 **Tenure.** Officers of the Association shall be elected by the Board of Directors. Each officer shall hold office until his successor has been duly elected and qualified. Any officer may be removed by the Board of Directors, whenever, in the judgment of the Board, the best interest of the Association would be served thereby.
- 7.3 **President.** The President shall be the chief executive Officer of the Association and shall exercise general supervision over its property and affairs subject to the control of the Board of Directors.
- 7.4 **Vice-President.** The Vice-President, should one be elected, shall act in the place and stead of the President in the event of the President's absence or inability or refusal to act, and shall exercise and discharge such other duties as may be required by the Board.
- 7.5 **Secretary.** The Secretary shall perform such services as may be assigned to him or her by the Board of Directors, including but not limited to the keeping of all books, records and reports of the Association.
- 7.6 **Compensation.** Officers may receive a reasonable compensation for their services to the Association upon such terms and at such rates as shall be determined by the Board of Directors.

ARTICLE VIII INDEMNIFICATION

- 8.1 **Third Party Actions.** The Association shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than action by or in the right of the Association) by reason or the fact that the person is or was a member of the Board, Officer, employee, or agent or another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit, or proceeding, if he/she acted in good faith and in a manner reasonably believed to be in or not opposed to

the best interest of the Association, and with respect to any criminal acting or proceeding, had no reasonable cause to believe the conduct was unlawful. The termination of any action, suit, or proceeding by an adverse judgment, order, or settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner reasonably believed to be in or not opposed to the best interests of the Association, or with respect to any criminal action or proceeding, had reasonable cause to believe that the conduct was unlawful.

- 8.2 **Association Actions.** The Association shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding by or in the right of the Association to procure a judgment in its favor by reason of the fact that the person is or was a member of the Board, Officer, employee, or agent of the Association, or is or was serving at the request of the Association as a Board member, Officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with the defense or settlement of such action or suit, if he/she acted in good faith and in a manner reasonably believed to be in or not opposed to the best interest of the Association. Except that, no indemnification shall be made in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable for gross negligence or willful misconduct in the performance of a duty to the Association unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses, judgments, fine and amounts paid in settlement which such court shall deem proper.
- 8.3 **Determination.** To the extent that a Board member, Officer, employee, or agent of the Association has been successful on the merits in defense of any action, suit, or proceedings referred to in 8.1 or 8.2 hereof, that person shall be indemnified against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred in connection therewith. Any other indemnification under 8.1 or 8.2 hereof shall be made by the Association only upon a determination that indemnification of the Board member, Officer, employee, or agent is proper in the circumstances because the applicable standard of conduct set forth in 8.1, hereof has been met. Such determination shall be made either by the Board members, by a majority vote of a quorum consisting of Board members who were not parties to such action, suit or proceeding, or by independent legal counsel in a written opinion, or by the Members, by a vote of at least fifty percent (50%) of the total votes of the Association at any meeting.
- 8.4 **Advances.** Expenses incurred in defending a civil or criminal action, suit, or proceeding as contemplated in this Article may be paid by the Association in advance of the final disposition of such action, suit, or proceeding upon a majority vote of a quorum of the Board of Directors and upon receipt of an undertaking by or on behalf of the Board, Officer, employee, or agent to repay such amount or amounts unless it ultimately be

determined that the person is entitled to be indemnified by the Association as authorized by this Article.

- 8.5 **Scope of Indemnification.** The indemnification authorized by this Article shall apply to all present and future Board members, Officers, employees, and agents of the Association and shall continue as to such persons who cease to be Board members, Officers, employees, or agents and shall inure to the benefit of the heirs, executors, and administrators of all such persons and shall be in addition to all other rights to which such persons may be entitled as a matter of law. To the extent that the applicable standard of conduct has been met, the indemnification obligation set forth in Article 8 shall also be retroactive.
- 8.6 **Insurance.** The Association may purchase and maintain insurance on behalf of any person who is or was a Board member, Officer, employee, or agent of the Association or is or was serving at the request of the Association as a Board member, Officer, employee, or another corporation, partnership, joint venture, trust, or other enterprise against any liability asserted against and incurred by that person in any such capacity or arising out of the person's status as such, whether or not the Association would have the power to indemnify him/her against such liability under the laws of the State of Utah, as the same may hereafter be amended or modified.
- 8.7 **Payments Out of Common Expense Fund.** All payments made pursuant to this Article shall constitute expenses of the Association and shall be paid with funds from the Common Expense Fund.

ARTICLE IX ELECTRONIC NOTICE OF MEETINGS

- 9.1 **Notification by Website and Email.** The Association desires to communicate electronically with Members to the fullest extent possible. Any notice sent to Members under the provisions of the Declaration, or these Bylaws may be sent by electronic means, including text message, email, or the Association's website. The Association shall maintain records of all notices sent to Members by electronic means, including the electronic address or other address to which notice was sent. A Member may, by written demand, require the Association to provide notice to the Owner by mail. Notice shall be provided as set forth in Article III of these Bylaws.

ARTICLE X MISCELLANEOUS

- 10.1 **Construction.** These Bylaws are to be construed together with the provisions of the Utah Condominium Ownership Act, Utah Code Ann. 57-8-1, et. seq., the Utah Revised Nonprofit Corporation Act, Utah Code Ann. 16-6a-101 et. seq., and the Declaration. Any conflict between these Bylaws and the said laws or Declaration shall be resolved in favor of the laws and/or the Declaration. Any powers granted or duties assigned to the Association, its officers or Board of Directors by said laws or Declaration which are not

mentioned herein shall be construed to have been given or assigned to the Association, its officers or Board of Directors.

- 10.2 **Amendment.** These Bylaws may be amended by the majority vote of the Board of Directors at a meeting called for that purpose.
- 10.3 **Annual Statement and Budget.** The Board shall present at each annual meeting, and when called for by vote of a majority of the Members at any special meeting where a quorum is present, a full and complete statement of the financial condition of the Association.
- 10.4 **No Dividends.** There shall be no dividends paid or payable by the Association, it being acknowledged that the Association is organized as a non-profit organization under law to act solely and strictly as an association of property owners and as an agent for them in the management of the affairs of the Subdivision and Association.
- 10.5 **Severability.** Provisions hereto shall be deemed independent and severable, and in validity or unenforceability of anyone provision or portion hereof shall not affect the validity or enforceability of any other provision.
- 10.6 **Captions.** Captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these Bylaws nor the intent of any provisions hereof.
- 10.7 **Enforcement, Attorney Fees and Cost.** These Bylaws may be enforced by any available remedy at law or equity and, in addition to any remedy set forth herein, in the event enforcement action is instigated, the Association or Board, as the case may be, shall recover its costs and reasonable attorney fees incurred from the party in violation, whether or not suit is filed, or judgment is rendered thereon.
- 10.8 **Effective Date.** These Bylaws shall take effect upon recordation in the Office of the County Recorder of Davis County, Utah .

[signatures on following page]

IN WITNESS WHEREOF, the Association has caused these Bylaws to be executed by its duly authorized officer on this 20 day of August, 2021.

**COUNTRY STATION CONDOMINIUM
OWNERS ASSOCIATION, INC.**

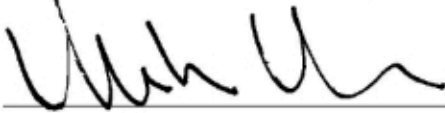
(Sign): 
(Print Name): Michelle Nelson, President

EXHIBIT "C"

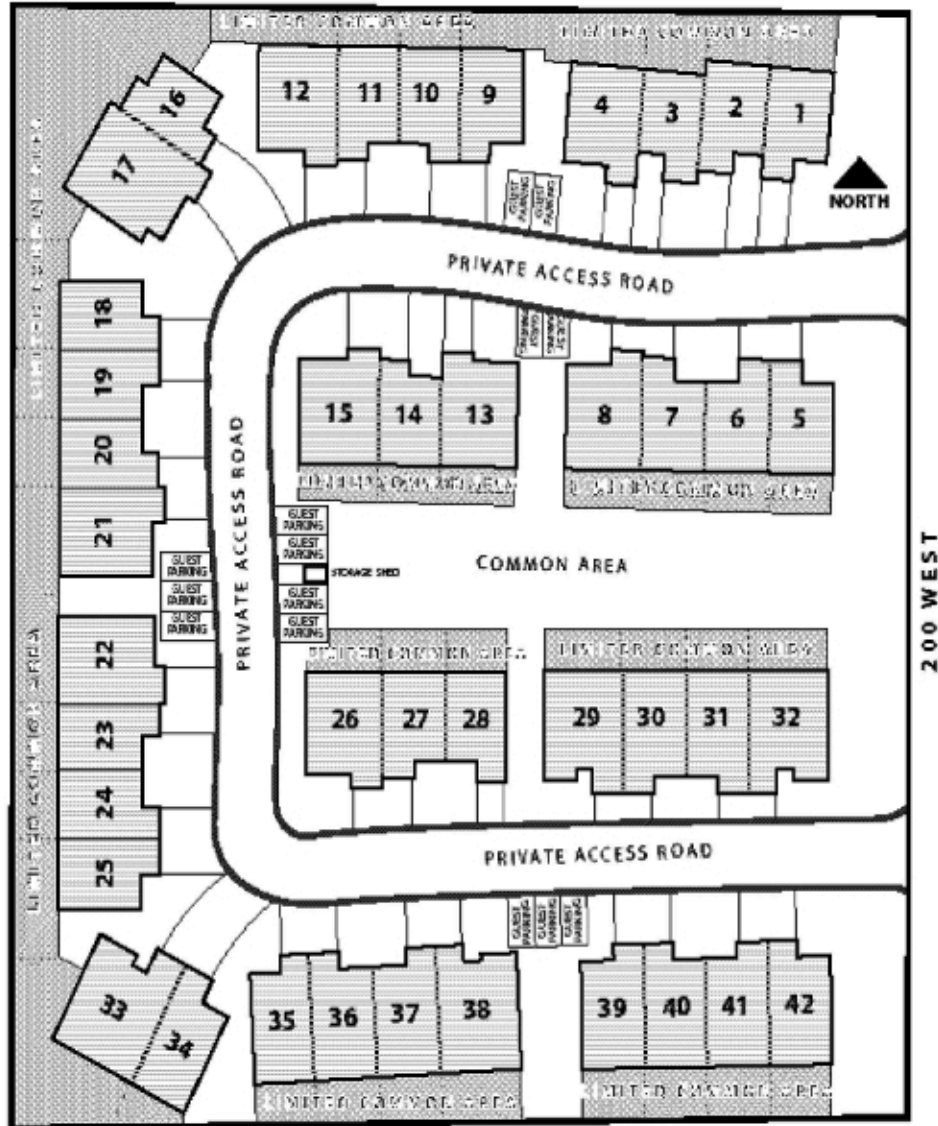
**LIST OF UNITS, VOTES AND UNDIVIDED INTERESTS/
ASSESSMENT PERCENTAGES**

All Units and their Owners have an equal number of votes and are assessed an equal Undivided Interest ownership in the Common Areas, as follows:

	UNITS	VOTES	ASSESSMENT PERCENTAGES
	1 -42	1 per Unit	2.381% each Unit
Total	42	42	100%

EXHIBIT "D"

LIMITED COMMON AREA MAP



COUNTRY STATION CONDOMINIUMS

499 North 200 West, Bountiful, UT 84010



NOTES:

- 1) Driveways, Access Road, and Guest Parking are considered Common Area.
- 2) Map locations of structures, improvements and fenced (semi-common) areas are approximate.

CRIME FREE LEASE ADDENDUM



In consideration of the execution or renewal of a lease of the dwelling unit identified in the lease. Owner and Resident agree as follows:

1. Resident, any member of the resident's household or a guest or other person under the resident's control shall not engage in criminal activity, on or near the said premises, "Drug-related criminal activity" means the illegal manufacture, sale, distribution, use or possession with the intent to manufacture, sell distribute, or use of a controlled substance (as defined in Section 102 of the Controlled Substance Act (21 U.S.c. 802).
2. Resident, any member of the resident's household or a guest or other person under the resident's control shall not engage in any act intended to facilitate criminal activity. Including drug-related criminal activity, on or near the said premises.
3. Resident or member of the household will not permit the dwelling to be used for or to facilitate criminal activity. Including drug-related criminal activity, regardless or whether the individual engaging in such activity is a member of the household, or a guest.
4. Resident, any member of the resident's household or a guest, or another person under the resident's control shall not engage in the unlawful manufacturing, selling, using, storing, keeping, or giving of a controlled substance as defined in UC 58-37-2, and any locations, whether on or near the dwelling unit premises or otherwise.
5. Resident, any member of the resident's household or a guest, or another person under the resident's control shall not engage in any illegal activity, including prostitution as defined in UC 76-10-1302, riotous activity as defined in UC 76-9-101, threatening or intimidating as prohibited in UC 76-5-107, 78-10-506 and 76-5-106, assault as prohibited in UC 76-5-102, including but not limited to the unlawful discharge of firearms on or near the dwelling unit premises, or any breach of the lease agreement that otherwise jeopardizes the health, safety, and welfare of the landlord, his agent or other tenant or involving imminent or actual serious property damage as defined in UC 76-6-106.
6. VIOLATION OF THE ABOVE PROVISIONS SHALL BE A MATERIAL AND IRREPARABLE VIOLATION OF THE LEASE AND GOOD CAUSE FOR IMMEDIATE TERMINATION OF TENANCY. A single violation of any of the provisions of this added addendum shall be deemed a serious violation and a material and irreparable noncompliance. It is understood that a single shall be good cause for immediate termination of the lease under UC 57-22-5. Unless otherwise prohibited by law, a proof of violation shall not require criminal conviction. But shall be a preponderance of the evidence.
7. In case of conflict between the provisions of this addendum and any other provisions of the lease, the provisions of the addendum shall govern.
8. This LEASE ADDENDUM is incorporated into the lease executed or renewed this day between Owner and Resident.

RESIDENT SIGNATURE _____

DATE _____

RESIDENT SIGNATURE _____

DATE _____

PROPERTY MANAGER'S SIGNATURE _____

DATE _____

PROPERTY: _____

UNIT #: _____