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WASATCH COUNTY CORPORATION
For: THE LOFTS AT DEER HAVEN

**DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
OF
DEER HAVEN CONDOMINIUM OWNER'S ASSOCIATION**

Heber City, Wasatch County, Utah

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF
DEER HAVEN CONDOMINIUM OWNERS ASSOCIATION

THIS DECLARATION made and executed this ____ day of _____, 2020, by The Lofts at Deer Haven LLC, a Utah Limited Liability Company, with its principal place of business located in Heber City, State of Utah (hereinafter referred to as respectively “Declaration” and “Declarant”).

RECITALS:

1. Declarant, The Lofts at Deer Haven LLC, is the record owner of that certain tract of property located in Wasatch County, Utah, and more particularly described in Article II of this Declaration.
 2. Declarant desires to create a condominium project, to provide for preservation of the values and amenities of the Property and for maintenance of the Common Areas (as defined below) and to provide for harmonious occupancy. To this end, and for the benefit of the Property and of the Owners (as defined below) thereof, Declarant desires to subject the Property and the various Condominium Units (as defined below) now or hereafter contained within the entire Project hereinafter described to the covenants, restrictions, easements, charges, liens hereinafter set forth.
 3. Declarant deems it desirable for the preservation of the values and amenities of the Property, to create an entity which possesses the power to maintain and administer the Common Areas, to collect and disburse the assessments and charges hereinafter provided for, and otherwise to administer and enforce the provisions of this Declaration. For such purpose Declarant has, in conjunction with recordation of this Declaration, caused or will cause to be organized under the laws of the State of Utah, a nonprofit corporation, Deer Haven Condominium Owner’s Association, Inc.
 4. Declarant submits the Property, together with all buildings and improvements now or hereafter constructed on the Property, and all easements and rights appurtenant thereto, to a condominium project consisting of three Commercial Units and related Common Areas and Facilities pursuant to Utah Code Ann. §57-8-1 *et. seq.* (the “Condominium”).
- E. Declarant desires to establish for its own benefit and for the mutual benefit of all future Owners or Occupants of the Condominium, certain covenants, conditions, restrictions, easements, rights, privileges, assessments, and liens as set forth herein (hereinafter collectively referred to as the “Restrictions”) which shall run with and be a burden upon the Property.
- F. Declarant intends that the Owners, Occupants, Lenders, and all other persons hereafter acquiring any Interest in the Property shall at all times enjoy the benefits of, and shall hold their interest subject to this Declaration, which is recorded in furtherance of establishing a general plan of condominium ownership for the Property; and for establishing rules for the use, occupancy, management, and enjoyment thereof all for the purpose of enhancing and protecting the value, desirability, and attractiveness of the Condominium and the quality of life therein.

NOW, THEREFORE, Declarant hereby covenants, agrees and declares that all of the Property described in Article II hereof shall be held, transferred, sold, conveyed, occupied and used subject to the covenants, restrictions, conditions, easements, charges, assessments, obligations, and liens hereinafter set forth.

I. DEFINITIONS

1.1. "Act" shall mean the Condominium Ownership Act, codified at Sections 57-8-1 through 57-8-39, Utah Code Annotated, pertaining to the creation, ownership and management of a Condominium in the State of Utah.

1.2. "Administrative Control" shall mean the period before the Declarant voluntarily or by requirement under this Declaration turns over the control of the Deer Haven Condominium Owner's Association Board to the Condominium Unit Owners.

1.3. "Allocated Interest" shall mean the undivided Interest (expressed as a fraction or percentage in this Declaration) in the Common Areas and Facilities, the Common Expense liability, and votes in the Association allocated to each Unit.

1.4. "Articles" shall mean the Articles of Incorporation by which the Association is formed under the nonprofit corporation law of the State of Utah.

1.5. "Assessments" shall mean the charges against Owners to defray the Common Expenses as well as miscellaneous Special Assessments, Special Assessments for capital improvements, and Special Assessments imposed for the purpose of restoring and reconstructing the Condominium in the event of casualty, all as provided in this Declaration. Assessments shall include all those assessments issued by the Deer Haven Owner's Association in accordance with this Declaration.

1.6. "Association" shall refer to Deer Haven Condominium Owner's Association, whose membership shall include the owners of Units within the Project. The Association has been or will be incorporated as a Utah nonprofit corporation.

1.7. "Association Rules" shall mean and refer to the rules and regulations adopted by the Association pursuant to this Declaration and in furtherance of the Bylaws and Section 57-8-8 of the Act.

1.8. "Board" shall mean the Board of Directors or Trustees of the Association elected or appointed pursuant to the Bylaws and serving as the management body of the Association.

1.9. "Bylaws" shall mean the Bylaws adopted by the Association pursuant to Section 57-8-16 of the Act adopted for the purpose of regulating the affairs of the Association, as the same may be amended from time to time.

1.10. "Common Areas and Facilities" shall mean those areas designated as such within the Project, excluding the Units, as set forth on the Plat attached as Exhibit B. The designation of common areas within the Project are for the benefit of the Owners and Occupants of the Units, and their guests and invitees.

1.11. "Common Expenses" shall mean the actual and estimated costs for: (a) maintenance, management, operation, repair and replacement of the Common Areas and Facilities which are maintained by the Association; (b) deficiencies arising by reason of unpaid Assessments; (c) management and administration of the Association, including, but not limited to, compensation paid by the Association to managers, accountants, attorneys and employees; (d) utilities (other than separately metered utilities for the Units), trash pickup and disposal, extermination, security, gardening and other related services; (e) insurance and bonds required by this Declaration or any additional insurance and bonds obtained by the Board in its discretion; (f) the establishment of reasonable reserves as the Board shall deem appropriate in its discretion for the periodic maintenance, repair, and replacement of the Common Areas and Facilities, which shall in no event be less than two (2) months of the estimated Assessments for each Unit; and (g) other miscellaneous charges incurred by the Association or the Board pursuant to this Declaration, the Bylaws or Association Rules in furtherance of the purposes of the Association or in discharge of the duties and powers of the Association.

1.12. "Condominium" means this business condominium project wherein fee simple title to single units in a multi-unit project, together with an undivided interest in the Common Areas and Facilities of the property are owned separately by the Unit Owners.

1.13. "Condominium Unit" shall mean and refer to a discreet office space that is sold as a separate unit within the condominium building, together with all improvements located in or with respect to the Condominium Unit concerned which are used in connection with such Unit.

1.14. "Declarant" shall mean The Lofts at Deer Haven LLC, a Utah Limited Liability Company, and the successors and assigns of Declarant's rights hereunder.

1.15. "Declaration" shall mean this Declaration including all exhibits attached hereto, which are hereby incorporated by this reference, and any and all amendments hereof and supplements hereto.

1.16. "Development" shall at any point in time mean, refer to, and consist of the Building and improvements on the Project then in existence.

1.17. "Exclusive Limited Common Area and Facility" means a portion of the Common Areas and Facilities, if any, specifically designated as a Limited Common Area and Facility in this Declaration or the Plat and allocated by this Declaration or the Plat for the exclusive use of one or more but fewer than all of the Units.

1.18. "Lender" shall mean a holder of a mortgage or deed of trust on a Unit.

1.19. "Member" shall mean and refer to every person who holds a membership in the Association.

1.20. "Mortgage" shall mean any mortgage, deed of trust or trust deed or the act of encumbering any Condominium Unit or any property by a mortgage, trust deed or deed of trust.

1.21. "Mortgagee" shall mean any person named as a mortgagee of a mortgage or beneficiary under or holder of a deed of trust.

1.22. "Occupant" shall mean a Person or Persons, other than an Owner, in possession of, or using a Unit, including, without limitation, family members, tenants, guests, or invitees.

1.23. "Officers" shall mean and refer to the Officers of the Association as duly elected or appointed in accordance with the terms and conditions of the articles of incorporation and bylaws of the Association.

1.24. "Owner" shall mean and refer to the person or entity who is the Owner of record (in the office of the County Recorder of Wasatch County, Utah) of a fee or an undivided interest in any Condominium Unit. Notwithstanding any applicable theory relating to a mortgage, deed of trust or like instrument, the term "Owner" shall not mean or include a mortgagee or a beneficiary or trustee under a deed of trust unless and until such party has acquired title pursuant to foreclosure or any arrangement or proceeding in lieu thereof. Declarant shall be considered the record Owner of any Unit prior to its initial conveyance by Declarant.

1.25. "Parcel" shall mean the real property which is subject to this Declaration, and which is legally described on Exhibit "A", and all the buildings, improvements and permanent fixtures located thereon, and all easements and rights appurtenant thereto.

1.26. "Person" shall mean a natural individual, corporation, limited liability company, estate, partnership, trustee, association, joint venture, government, governmental subdivision or agency or other legal entity capable of holding title to real property.

1.27. "Plat" shall mean and refer to any development plat, any plat of a condominium office building, or any plat or map similar to any of the foregoing: (a) which covers the Property; (b) which describes or creates one or more Condominium Units within the building; and (c) which is filed for record in the office of the County Recorder of Wasatch County, Utah.

1.28. "Property" shall mean the Parcel, together with all the buildings, improvements and permanent fixtures located thereon, and all easements and rights appurtenant thereto.

1.29. "Restrictions" shall mean the covenants, conditions, assessments, easements, liens and restrictions set forth in this Declaration.

1.30. "Supplemental Declarant Rights" shall mean the rights granted to Declarant in this Declaration to do any of the following:

- (a) Construct any improvements provided for in this Declaration;
- (b) Maintain sales offices, models, and signs advertising the Condominium;
- (c) Use easements upon the Common Areas and Facilities for the purpose of making improvements or marketing units within the Parcel; and
- (d) Appoint or remove any Officer or Board Member of the Association prior to the Turnover Date, as defined herein.

1.31. "Supplemental Declaration" shall mean a written instrument recorded in the records of the County Recorder of Wasatch County, Utah, which refers to this Declaration and which amends, modifies, or supplements this Declaration in accordance with its terms.

1.32. "Turnover Date" shall mean the date upon which Declarant shall have sold at least three of the five units to separate Unit Owners.

1.33. "Unit" shall mean either a separate physical part of the property intended for any type of independent use, including one or more rooms situated in a building comprising part of the Condominium, designed or intended for independent ownership and occupancy as a Unit. The respective Allocated Interest in the Common Area and Facilities is appurtenant to the Unit.

1.34. "Unit Number" shall mean the number, symbol, or address that identifies one Unit in the Condominium.

II. PROPERTY DESCRIPTION

2.1. Submission. The Property which is and shall be held, transferred, sold, conveyed and occupied subject to the provisions of this Declaration consists of the following-described real property situated in Wasatch County, State of Utah.

SEE THE LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A" AND INCORPORATED HEREIN BY REFERENCE.

EXCLUDING all water rights and all presently existing or to be constructed or installed sewer lines, water mains, gas lines, electrical conduits, telephone lines, and related facilities, provided, however, that lines and systems specifically conveyed to the Association by Declarant shall not be included within this exclusion.

RESERVING UNTO DECLARANT, however, such easements and rights of ingress and egress over, across and through and under the above-described tract and any improvements now or hereafter constructed thereon as may be reasonably necessary for Declarant or any assignee of Declarant (in a manner which is reasonable and not inconsistent with the provisions of this Declaration): (i) to construct the building as shown on the approved plans; and (ii) to improve the Common Areas with such facilities, including, but not limited to, roads, recreational facilities, walkways and various landscaped areas, designed for the use and enjoyment of all the Members as Declarant may reasonably determine to be appropriate. If, pursuant to the foregoing reservation, the above described tract or any improvement thereon is traversed or partially occupied by a permanent improvement or utility line, a perpetual easement for such improvement or utility line shall exist. With the exception of such perpetual easements, the reservation hereby effected shall, unless sooner terminated in accordance with its terms, expire fourteen (14) years after the date on which this Declaration is filed for record in the office of the County Recorder of Wasatch County, Utah.

ALL OF THE FOREGOING IS SUBJECT TO: All liens for current and future taxes, assessments and charges imposed or levied by governmental or quasi-governmental authorities; all patent reservations and exclusions; all mineral reservations and exclusions; all mineral reservations of record and rights incident thereto; all instruments of record which affect the above-described tract or any portion thereof, including without limitation, any mortgage or deed of trust; all visible easements and rights-of-way; and all easements and rights-of-way of record.

DESCRIPTION OF THE UNITS, LIMITED COMMON AREAS AND FACILITIES, COMMON AREAS AND FACILITIES, ALLOCATED INTERESTS AND PLAT

2.2. Description of Boundaries of Each Unit and Unit Number. The Unit Numbers of each of the Units within the Condominium are set forth on the Plat. If a boundary is not a common wall, the boundary is defined as the legal description set forth on the plat. The horizontal boundaries of each Unit that shares or may share a common wall as a boundary shall be the underside of the finished but undecorated ceiling and the top of the finished but undecorated floor of the Unit as shown on the Plat. The vertical boundaries of each Unit that shares or may share a common wall shall be the interiors of the finished but undecorated walls located on the perimeter lines of the respective Units as shown on the Plat. All lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, finished flooring and other materials constituting any part of the finished surfaces are part of the Unit, and all other and structural portions of the walls, floors, columns, or ceilings are part of the Common Areas and Facilities. If any pipes, wires, conduits, chutes, flues, ducts, shafts, public utility, water, or sewer lines, or any other similar fixtures lie partially or wholly within or outside the designated boundaries of a Unit, any portion serving only that Unit is a Limited Common Area and Facility allocated solely to that Unit and any portion serving more than one Unit or any portion of the Common Area and Facilities is part of the Common Areas and Facilities. Subject to the preceding sentence, each Unit shall consist of the space enclosed and bounded by the horizontal and vertical planes as shown on the Plat, and all interior partitions and other fixtures and improvements within such boundaries shall be part of the Unit. An Owner shall have the right to own and combine two (2) or more Units, subject to the requirements of applicable local and state law. Conveyance of a Unit includes the use of the Limited Common Areas and Facilities appurtenant to said Unit.

2.3. Description of Exclusive Limited Common Areas and Facilities for Entrances. The common areas so designated on the Plat, if any, shall be designated as Exclusive Limited Common Areas for purposes of this Declaration. Exclusive Limited Common Areas and Facilities shall be appurtenant to each respective Unit where so identified and may not be severed from the ownership of the Unit.

2.4. Description of Common Areas and Facilities. The Common Areas and Facilities shall consist of the entire Condominium, excluding the Units and any Exclusive Limited Common Areas and Facilities appurtenant thereto.

2.5. Undivided Interest of Each Unit in the Common Areas and Facilities. Each Unit in the Condominium shall have the Allocated Interest in the Common Areas and Facilities as set forth in Exhibit "B".

2.6. Votes in the Association. In all matters to be voted upon by the Association, each Unit in the Condominium shall be entitled to the percentage of votes that directly corresponds with each Unit's Allocated Interest as set forth in Exhibit "B", attached hereto and incorporated herein by reference, the Articles of Incorporation of the Association, and the Bylaws of the Association.

2.7. Allocated Interest of Each Unit in the Common Expenses of Condominium. Each Unit in the Condominium shall have responsibility for the Common Expenses of the Condominium in accordance with each Unit's Allocated Interest. For example, if Unit 1 has an Allocated Interest of 50% it would be

responsible for 50% of the Common Expenses of the Condominium. The Allocated Interest will apply to any and all assessments imposed on the Units by the Association.

2.8. Current Statement of Allocated Interest. The Allocated Interest of each Unit for purposes of this Declaration is set forth in Exhibit "B", attached hereto and incorporated herein by reference.

2.9. Plat. The Plat is hereby incorporated into, and made an integral part of, this Declaration and all requirements and specifications set forth on the Plat and which are required by the Act are deemed included in this Declaration.

III. CREATION OF THE CONDOMINIUM

3.1. Submission. Declarant hereby submits and subjects the Property to a Condominium pursuant to the Act, and in furtherance thereof, makes and declares the Restrictions contained in this Declaration, and Declarant hereby declares and agrees that the Condominium and all of the Units shall be held, conveyed, transferred, sold, leased, mortgaged, encumbered, occupied, used, and improved subject to the Restrictions, which Restrictions shall constitute covenants and conditions running with the land and shall be binding upon and inure to the benefit of Declarant, the Association, and each Owner, including their respective heirs, executors, administrators, personal representatives, successors and assigns.

3.2. Name and Location. The Condominium shall be named and known as the Deer Haven Condominium. The Condominium project is located in Heber City, Wasatch County, Utah, and the legal description of the real estate included in the Condominium is the Parcel set forth on EXHIBIT "A". The name of the Association is the Deer Haven Condominium Owner's Association, which has jurisdiction over all Units within the Project.

3.3. Interpretation of Declaration and Applicability of the Act. Declarant intends that the Condominium shall be governed by the Act, except where (in compliance with the Act) Declarant has included specific provisions in this Declaration which legally vary, supersede, or supplement the Act, in which event such specific provisions of this Declaration which are contrary to the Act shall govern the Condominium.

3.4. Agent for Service of Process. Mike Petersen, 67 East 500 South #103, Heber City, Utah 84032, shall be the person to receive service of process for the Condominium pursuant to Section 57-8-10(2)(d)(iii) of the Act until such time as the Board shall duly appoint a new agent and file a supplement hereto.

ARTICLE 4 MAINTENANCE AND UTILITIES

4.1. Maintenance of Common Areas and Facilities. Each Owner shall be responsible for his or her portion, as established by the Allocated Interest, of all maintenance, repairs, and replacements of the Common Areas and Facilities, including without limitation: (a) the maintenance of all external walls of the Units (except for those shared walls or areas designated as Exclusive Limited Common Area addressed in section 4.2 below); (b) the maintenance of the roof and roofing of the Units; (c) repair and replacement of all window, skylights, and door glass or equivalent materials and the interior and exterior

cleaning of such window and door glass; (c) the maintenance of (in an open and unobstructed condition) all septic, sewer and drainage pipes, tanks and systems, water, septic, sewer and all other utility lines serving any Unit between the points at which the same enter the respective Unit and the points where the same join the utility lines serving other Units in the Condominium; (d) maintenance, replacement, repair and restoration of all of the following: lighting fixtures including exterior building mounted lights, fans, plumbing fixtures, stoves, refrigerators, hot water heaters, air conditioning units (including compressors, condensers and forced air units), intercoms, security systems, and such other appliances, fixtures, and decorations as exist in the Common Areas; (e) the maintenance of exterior screens, and shutters in a clean and sanitary condition, free of pests and rodents, and in good order and repair; and (f) any and all assessments for common area or exclusive limited common area maintenance assessed to the Units. An Owner may make non-structural alterations within its Unit or combined Units which do not affect an Exclusive Limited Common Area or the other Units. The Owner shall not make any structural or exterior alterations of the Common Areas and Facilities or the Exclusive Limited Common Areas and Facilities without the prior written approval of the Board.

4.2 Maintenance of Common Areas and Facilities and Non-exclusive Limited Common Areas and Facilities. The Units shall be subject to, and shall pay in full, any assessment issued by the Condominium Association for the following:

(a) Maintain, repair, replace and otherwise manage the Common Areas and Facilities, including, but not limited to, the landscaping, parking areas, and streets, if any, located thereon and maintain all parking areas and exterior parking lights, walkway and landscape area lights which are designated as common areas;

(b) Replace injured and diseased trees or other vegetation in any Common Areas and Facilities, and plant trees, shrubs and ground cover to the extent that the Board deems necessary for the conservation of water and soil or for aesthetic purposes;

(c) Place and maintain upon any Common Areas and Facilities, such signs, markers and lights as the Board may deem appropriate for the proper identification use and regulation thereof, subject to the approval of the Board;

(d) Pay all electrical, water, septic and sewer, gas and other utility charges or fees for services furnished to the Common Areas and Facilities as the same become due and payable; and

(e) Do all such other and further acts which the Board deems necessary to preserve and protect the Common Areas and Facilities and the beauty thereof, in accordance with the general purposes specified in this Declaration.

4.3. Maintenance of Units. Each owner of a Unit shall maintain its Unit in a manner that maintains the safety, attractive appearance and value of the Condominium. If an Owner fails to so maintain his Unit or make repairs thereto in such a manner as may be deemed reasonably necessary in the judgment of the Board to preserve and protect the attractive appearance and value of the Condominium, or if an Owner shall fail to observe any covenant or restriction imposed on such Owner by the terms of the Declaration, then the Board or its authorized representative shall give written notice to such Owner stating with particularity the nature of the default and the collective action which the Board determines to

be required and requesting that the same be carried out within a period of fourteen (14) days after the giving of such written notice. If such Owner fails to carry out such action within the period specified by the notice, the Board may cause such action to be taken and may levy a Special Assessment for the cost thereof on such Owner, such Special Assessment to be due and payable within thirty (30) days after the Board gives written notice thereof and to be secured by the Assessment lien created in Section 6.1 of this Declaration.

4.4. Utilities. Gas and electrical utilities shall be metered separately for each Unit, and each Unit Owner shall be responsible to pay for these utilities when billed. All utilities and utility charges for individual Units shall be the responsibility of the respective Unit Owner (except those utility costs, which are metered collectively, and paid by the Association as a Common Expense item).

ARTICLE 5 MANAGEMENT

5.1. Organization. The Association will be organized no later than the date the first Unit in the Condominium is conveyed to an Owner other than Declarant to serve as the governing body for all Owners and shall make provisions for the maintenance, repair, replacement, administration and operation of the Common Areas and Facilities, assessment of expenses, payment of losses, division of profits, acquisition of hazard insurance and disposition of such hazard insurance proceeds, and other matters as provided in the Act, the Declaration and the Bylaws. The Association shall not be deemed to be conducting a business of any kind, and all funds received by the Association shall be held and applied by it for the Owners in accordance with the Declaration, the Articles and the Bylaws.

5.2. Management. The governing body of the Association shall be a Board of Directors. The Board shall consist of not less than three (3) less and not more than five (5) members. Each Unit shall be entitled to one member on the Board, by appointment. Except as otherwise provided in this Declaration, the Bylaws, or Association Rules, the Board may act in all instances on behalf of the Association.

5.3. Right of Association to Enter Units. The Association acting through the Board or its duly authorized agent shall have the right at all times upon reasonable notice (and at any time in case of an emergency) to enter upon or in any Unit to abate any infractions, to make repairs, or correct any violation of any of the Restrictions herein set forth, and in connection therewith shall have the further right to assess all costs incurred against the Owner, such assessment to be secured by the lien provided in Section 6.1.

5.4. Association Rules. The Board, as established may adopt and administer Association Rules in furtherance of the Bylaws for the regulation and operation of the Condominium.

5.5. Availability of Condominium Documents. The Association will maintain current copies of this Declaration, the Articles, Bylaws, and Association Rules concerning the Condominium and the Association's own books, records, and financial statements available for inspection, upon the reasonable request, during normal business hours by any Owner or Lender (or any insurer or guarantor of a Lender).

ARTICLE 6 COVENANT FOR ASSESSMENTS

6.1. Creation of Lien and Personal Obligation for Assessment. Each Owner, including Declarant to the extent Declarant is an Owner as defined herein, of any Unit, by acceptance of a deed or other instrument creating in such Owner the interest required to be deemed an Owner, whether or not it shall be so expressed in any such deed or other instrument, is deemed to covenant and agree to pay to the Association such Assessments to be fixed, established and collected from time to time as provided in this Declaration. The Assessments, together with interest thereon, collection charges, attorneys' fees, court costs and other costs of collection as hereinafter provided shall be secured by a continuing lien upon the Unit against which each such Assessment is made in favor of the Association. Each such Assessment, together with such interest, collection charges, costs and attorneys' fees, shall also be the personal obligation of the Owner of such Unit at the time the Assessment becomes due. The personal obligation shall not pass to the successor in title of an Owner unless expressly assumed by such successor.

6.2. Purpose of Assessments. The Assessments levied by the Association shall be used exclusively for the purposes of promoting the health, safety and welfare of the Owners, the management, maintenance care, preservation and protection of the Condominium, enhancing the quality of life in the Condominium and the value of the Condominium including, without limitation, the improvement and maintenance of the services and facilities devoted to this purpose and related to the use and enjoyment of the Common Areas and Facilities, or in furtherance of any other duty or power of the Association.

6.3. Regular Assessment. The Board shall determine the amount of the regular Assessments, if any, to be paid by each Owner. Each Owner shall thereafter pay to the Association his regular Assessment in installments as determined by the Board.

6.4. Capital Improvement Assessments. In addition to regular Assessments, the Board may levy in any fiscal year a capital improvement Assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction or replacement (other than due to destruction) of a described capital improvement upon the Common Areas and Facilities, including the fixtures and personal property related thereto. The Board shall not impose a capital improvement Assessment exceeding ten percent (10%) of the then estimated annual Common Expenses without the approval of Owners holding a majority of the Allocated Interests in the votes of the Association. All amounts collected as capital improvement Assessments may only be used for capital improvements and shall be deposited by the Board in a separate bank account or the Association's account for reserve funds, to be held in trust for such purposes and said funds shall not be commingled with any other funds (other than reserve funds) of the Association.

6.5. Percentage Assessments. Except as otherwise provided herein, all Assessments (other than Special Assessments) shall apply based on the Allocated Interest for each Unit as contained in EXHIBIT "B", as amended from time to time.

6.6. Rules Regarding Billing and Collection Procedures. The Board shall have the right and responsibility to adopt rules and regulations setting forth procedures for the purpose of making the Assessments provided herein and for the billing and collection of regular and Special Assessments, provided that said procedures are not inconsistent with the provisions hereof.

6.7. Certificate of Payment. The Association shall, within twenty (20) business days after written demand, furnish to any Owner liable for Assessments a recordable written statement or certificate signed by an officer or authorized agent of the Association setting forth whether the Assessments relating to a specified Unit have been paid and the amount of delinquency, if any.

6.8. Special Assessments. Special Assessments shall be levied by the Board against a Unit and its Owner to reimburse the Association for:

(a) costs incurred in bringing an Owner and his Unit into compliance with the provisions of the Declaration, the Articles, the Bylaws or Association Rules;

(b) costs associated with the maintenance, repair or replacement of any Common Area, Exclusive Limited Common Area, or Facility assigned to such Unit;

(c) any other charge designated as a Special Assessment in this Declaration, the Articles, the Bylaws or Association Rules; and,

(d) attorneys' fees, interest and other charges relating thereto as provided in this Declaration.

6.9. Date of Commencement of Assessments. Regular and other Assessments as to Units within the Condominium shall commence as to all Units as determined by the Board.

6.10. Application of Excess Assessments. In the event the amount budgeted to meet Common Expenses for a particular fiscal year proves to be excessive in light of the actual Common Expenses, the Board in its discretion may apply the excess to reserves, credit the excess against future Assessments, or pay the excess to the Owners in proportion to the Allocated Interests of each Unit in the Common Expenses of the Condominium, as the Board deems appropriate. The decision of the Board shall be binding and conclusive. In addition, the Association shall not be obligated to reduce the amount of Assessments in succeeding years if an excess exists for a prior year.

ARTICLE 7

EFFECT OF NON-PAYMENT OF ASSESSMENTS AND REMEDIES

7.1. Due Date and Delinquency. Assessments shall be issued no less than yearly, unless otherwise agreed to by the Board. Payment for assessments shall be due on January 1, of each year. Any Assessment, which is not paid within thirty (30) days after it becomes due, shall be delinquent. Whenever an Assessment is delinquent, the Board may at its option invoke any or all of the sanctions provided for herein.

7.2. Collection Charge. If any Assessment is delinquent, the Owner shall be obligated to pay the collection charge established by the Board as provided for in the Bylaws. The amount of such collection charge until paid shall constitute part of the Assessment lien as provided for in Section 6.1 of this Declaration.

7.3. Interest. If any Assessment is delinquent, interest at the rate established by the Board as set forth in the Bylaws at the time may be assessed on the amount owing from the date due until such time as it is paid.

7.4. Action at Law. The Association may bring an action to recover a delinquent Assessment either personally against the Owner obligated to pay same or foreclose the Assessment lien, provided, however, that the Association's choice of one remedy shall not prejudice or constitute a waiver of the Association's right to exercise the other. The costs of preparing and filing the complaint shall be assessed against the delinquent Owner and his Unit and reasonable attorneys' fees and court costs will thereafter be added to the amount in delinquency (plus interest and/or collection charges, if appropriate) in the event that a judgment is obtained by the Association. Each Owner vests in the Association or its assigns the right and power to bring actions at law and/or lien foreclosures against such Owner or Owners for the collection of delinquent Assessments.

7.5. Foreclosure Sale. Any foreclosure provided for in this Declaration is to be conducted in compliance with applicable provisions relating to the foreclosure of realty mortgages in the State of Utah. The Association, upon approval by a majority of the Allocated Interests in the votes of the Association, may through its duly authorized agents have and exercise the power to bid on the Unit at the foreclosure sale and to acquire, hold, lease, mortgage and convey such Unit,

7.6. Suspension of Votes. The Board may suspend the obligated Owner's right to vote on any matter at regular or special meetings of the Association and the Owner's right to use all or any portion of the Common Area and Facilities (exclusive of the Limited Common Areas and Facilities appurtenant to the Owner's Unit) for the entire period during which an Assessment or other amount due under any of the provisions of the Declaration remains delinquent.

ARTICLE 8 EASEMENTS

8.1. General Easements to Units for Ingress/Egress and Common Usage.

a) Easements for Ingress and Egress. Subject to this Declaration and the Association Rules, non-exclusive reciprocal easements are hereby reserved and created for the purpose of establishing access to each Unit, ingress and egress to each Unit, and use and enjoyment in favor of each Owner, upon, across, over, under and through the Condominium. These easements shall remain unobstructed at all times. If a door lies in the path of an easement, it will require a crash bar on the side of the door leading to the exit area in case of an emergency.

b) Easements for Common Usage. Subject to this Declaration and the Association Rules, non-exclusive reciprocal easements are hereby reserved and created for the purpose of the use of all pipes, wires, ducts, cables, conduits, and public utility lines across all Units, either presently existing or required in the future, which easements shall be appurtenant to each Unit. The Association, acting through the Board or its authorized agent, and public utility companies providing service to the Condominium, shall have non-exclusive easements with the right of access to each Unit to make inspections, to remove violations, and to maintain, repair, or replace each Unit.

8.2. Public Utilities. Easements and rights over the Condominium for the installation and maintenance of electricity lines, telephone lines, cable television, water lines, gas lines, sanitary sewer lines, drainage facilities, and such other public utilities needed to serve the Condominium are hereby reserved by Declarant and, after the Turnover Date, to the Association, together with the right to grant and

transfer the same; provided, however, such easements and rights shall not unreasonably interfere with the use of the Common Areas and Facilities and the Units by the Owners or Occupants. Declarant or the Association shall have the power to grant and convey, in the name of all of the Owners as their attorney-in-fact, to any other person easements and right-of-way in, on, over or under the Common Areas and Facilities for the purpose of constructing, erecting, operating or maintaining lines, cables, wires, conduits, or other devices for electricity, cable television, power, telephone, public sewers, storm water drains and pipes, water systems, sprinkling systems, water heating and gas lines or pipes and any similar public or quasi-public improvements or facility, and each Owner in accepting the deed in a Unit expressly consents to such easements and rights-of-way and authorizes and appoints the Association and Declarant (as long as Declarant owns one or more Units in the Condominium) as attorney in fact of such Owner to execute any and all instruments conveying or creating such easements or right-of-way. However, no such easement can be granted if it would permanently interfere with the use, occupancy, or enjoyment by any Owner or such Owner's Unit.

8.3. Easements for Encroachments. If any portion of the Common Areas and Facilities now encroaches upon any Unit, or if any Unit now encroaches upon any other Unit or the Common Areas and Facilities, or if any such encroachment shall occur hereafter as a result of the manner in which the buildings have been constructed or due to settling, shifting, alteration, replacement, repair, or restoration by Declarant or the Association, a valid easement for encroachment, and maintenance of such encroachment, shall exist so long as the buildings stand.

8.4. Development Easements for Declarant. Until all Units have been sold by Declarant, there are hereby reserved to Declarant, together with the right to grant and transfer the same to others, including Declarant's sales agents, representatives and assigns, easements and rights upon, across, over, under and through the Condominium for construction, display (including the use of the Units as models), maintenance, sales and exhibit purposes (including the use of signs and other advertising devices) in connection with the erection, remodeling and sale or lease of Units within the Condominium; provided, however, that no such use by Declarant or its agents shall otherwise restrict Owners or Occupants in the reasonable use and enjoyment of their Units.

8.5 Parking. Th that shall be used for the sole purpose of one or more of the Units. All parking is available for use by Unit Owners. Unit Owners understand that assessments for parking lot maintenance, snow removal, landscaping, etc., will be assessed to The Lofts at Deer Haven LLC by the Association, and will be split amongst the Units in accordance with their Allocated Interests.

**ARTICLE 9
USE RESTRICTIONS**

9.1 Signs. Prior to the placement of any signs on any Unit in the Condominium, the Unit Owner shall obtain the prior written consent of Heber City.

9.2. Nuisance. No noxious or offensive activity shall be carried on upon the Condominium, nor shall any activity which might be or become an annoyance or nuisance to Owners or Occupants be permitted to interfere with their rights of quiet enjoyment or increase the rate of any insurance or decrease the value of the Units. No Owner or Occupant shall engage in activity within the Condominium in

violation of any law, ordinance, statute, rule or regulation of any local, county, state or federal body. Nothing included herein shall be construed to prevent the owners of _____ from engaging in all forms of construction necessary to construct such buildings as anticipated or deemed necessary by a unit owner with the approval of the association.

9.3. Permitted Uses. This Condominium is intended to be a _____ project. Subject to the other limitations contained in this Article 9 inclusive, and the restrictions specifically mentioned herein, the Owner of a Unit may conduct any business within the Unit but only as authorized by the applicable laws and ordinances of Heber City as amended from time to time.

(a) No smoke shops, vape shops or similar uses or establishments are allowed in the Condominium.

(b) No hair salons, nail salons or other similar uses or establishments are allowed in the Condominium.

(c) No tattoo parlors or similar uses or establishments are allowed in the Condominium.

(d) No restaurants or similar uses or establishments are allowed in the Condominium.

(e) No uses which cause unusual or unreasonable noxious noises, odors, fumes, etc.

9.4. Parking/Visitor Parking. The following applies to all Common Area and Limited Common Areas and Facilities as designated in the Condominium Declaration:

(a) Unless otherwise specifically authorized in writing by the Association, no automobiles or other vehicles of any type (including, without limitation, motorcycles, trailers, campers, vans, recreational vehicles or boats) shall be stored within any portion of the Common Areas or Limited Common Areas and Facilities. The Association may adopt Association Rules relating to the admission and temporary parking of vehicles within the Condominium and Common Areas, and the use of the visitor parking spaces identified on the Plat, if any, including, without limitation, the right to loan or license the visitor parking spaces in the discretion of the Association, the right to remove or cause to be removed any vehicles that are improperly parked, restrictions on the time visitor spaces may be used, and the assessment of charges to Owners and Occupants who violate, or whose invitees violate, such rules. Any charges so assessed shall be Special Assessments. Nothing included herein shall be construed to prevent Declarant from using temporary structures or trailers for construction and/or sales purposes or engaging in all forms of construction and sales activities within the Condominium.

9.5. External Fixtures. No external items such as, but not limited to, television and radio antennas, satellite dishes, other than those provided in connection with the original construction of the Condominium, and any replacements thereof, shall be constructed, erected, or maintained on any Unit in the Condominium without the prior written consent of the Board. The foregoing notwithstanding, nothing included herein shall be construed as preventing Declarant and its agents and assigns from engaging in all forms of construction and sales activities within the Condominium.

9.6. Outside Speakers and Amplifiers. No radio, stereo, broadcast or loudspeaker units and no amplifiers of any kind shall be placed upon or outside, or be directed to the outside of, any Unit without the prior written approval of the Board.

9.7. Unightly Items. All rubbish, debris or unsightly materials or objects of any kind shall be regularly removed from Units and shall not be allowed to accumulate therein or thereon. Refuse containers and machinery and equipment not a part of the Units, shall be prohibited upon any Unit unless obscured from view of adjoining Units and Common Areas and Facilities. Trash and garbage not disposed of by equipment contained within the Units shall be placed in containers by Owners and Occupants for removal from the Condominium in accordance with Association Rules applicable thereto adopted by the Board. The Board may adopt rules applicable to the provisions of this Section and their enforcement, including the assessment of charges to Owners and Occupants who violate, or whose invitees violate, such rules. Any charges so assessed shall be Special Assessment. The foregoing notwithstanding, nothing included herein shall be construed as preventing Declarant and its agents and assigns from engaging in all forms of construction and sales activities within the Condominium.

9.8. Animals. No animals, livestock, birds, reptiles, or poultry of any kind shall be raised, bred, sold or kept in any Unit or upon the Condominium.

9.9. Landscape Maintenance. The Declarant and the Association shall have the right to maintain all landscaping in the Common Areas and Facilities and Limited Areas and Facilities. The Declarant and the Association shall have the right to access all areas of the Condominium, which are necessary for such landscape maintenance.

9.10. Subdivision of Units or Further Restrictions. No Unit shall be split, subdivided, or separated into two or more Units, and no Owner of a Unit shall sell less than all of the Unit.

9.11. Architectural Control. No exterior changes whatsoever shall be commenced, erected, maintained, made or done without the prior written approval of the Board or any committee established by the Board for that purpose. By way of illustration but not of limitation the following are considered exterior changes; painting, landscaping, repairs, excavation, screens, doors, evaporative coolers, fireplaces, skylights, storage buildings, solar collectors, shade screens, awnings, window coating or tinting, decorative alterations or other work which in any way alters the exterior appearance of the Property. The Board, or committee established by the Board for that purpose, may designate the design, style, model and manufacturer of any exterior improvement or alteration, which is acceptable to the Board. Such designations shall be for the purpose of achieving uniformity of appearance and preservation of property values. No interior structural changes whatsoever shall be commenced, erected, maintained, made or done without the prior written approval of the Board, or any committee established by the Board for that purpose. By way of illustration but not of limitation the following are considered interior structural changes: moving, removing, or altering "load-bearing" walls, doorways, and the like.

9.12. Association Rules. The Association shall have the power to make and adopt reasonable Association Rules with respect to activities which may be conducted on any part of the Condominium. The Board's determination as to whether a particular activity being conducted or to be conducted violates or will violate such Association Rules shall be conclusive unless, at a regular or special meeting of the

Association, Owners representing a majority of the Allocated interests in the votes of the Association vote to the contrary.

9.13. Variances. The Board may, at its option and in extenuating circumstances, grant variances from the Restrictions set forth in Article 9 of this Declaration if the Board determines in its discretion: (a) either (i) that a Restriction would create an unreasonable hardship or burden on an Owner or Occupant, or (ii) that a change of circumstances since the recordation of this Declaration has rendered such Restriction obsolete, and (b) that the activity permitted under the variance will not have any substantial adverse effect on the Owners or Occupants of the Condominium and is consistent with the high quality of life intended for owners and users of the Condominium. No Variances may be granted which would materially damage or impair the rights of the other Unit Owners.

9.14 Environmental Matters. Without limiting, and in addition to any other provisions of this Declaration, no Owner or Occupant shall engage, or allow anyone to engage, in any activity or cause or allow the use, generation, manufacture handling, treatment, presence, discharge, emission, disposal, transportation or storage thereof of any Hazardous Materials (as hereafter defined) on or upon the Condominium or within the Parcel. Further, Owners and/or Occupants shall comply with all applicable federal, state, local and otherwise environmental laws, standards, rules, regulations, codes, ordinances, permits, licensing conditions or court or administrative orders, now or hereafter in effect.

(a) As used herein, the term "Hazardous Materials" shall mean or refer to any petroleum or petroleum products, or constituents, pollutants, and dangerous substance, toxic substances, hazardous wastes, hazardous materials or hazardous substances or any other substance that is now or hereafter prohibited, restricted or controlled by federal, state, or local laws, code, ordinance or regulations, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 6901, et seq, the Resource Conservation and Recovery Act (42 U.S.C. 6901 et seq), the Toxic Substance Control Act (15 U.S.C. 2601 et seq) and the Water Pollution Control Act (33 U.S.C. 1317 et seq).

ARTICLE 10 INSURANCE

10.1. Authority to Purchase. Commencing not later than the date a Unit is conveyed to a Person other than Declarant, the Association shall have the authority to and shall obtain and maintain, to the extent reasonably available, the insurance required under Utah Code. Ann. § 57-8-29; provided, however, the Association shall always comply with the insurance requirements of the Act.

10.2. Comprehensive Public Liability Insurance. The Association shall carry at all times a comprehensive Public Liability Insu

t forth in this section may be amended by a majority vote of the Board. The Unit Owners shall pay for this insurance in accordance with their Allocated Interests.

10.3. Insurance Generally. The Board may obtain such other policies of insurance in the name of the Association as the Board deems appropriate to protect the Association and the Owners. If an

insurance policy is purchased by the Association, the Board shall have the power to impose assessments to pay for the insurance premiums.

10.4. Insurance Obtained by Owners.

(a) Pr

ct agreeing to hold the other harmless and also waiving all rights of subrogation should a fire start in one of the Units that harms or destroys the adjoining Unit.

(b) Commercial Gen

age at all times. All units, or in the alternative, all leasees within the Units, shall be required to name the other lessees and Units in the Condominium as an additionally insured party under their general liability insurance, and shall be required to provide proof of such to the Board. Each Unit Owner shall have the obligation to assure its leasees are carrying the appropriate insurance, and to provide proof of such to the Board. Failure to do so shall give the Board power to obtain the necessary insurance and to impose a special assessment on the Unit Owner.

**ARTICLE 11
DESTRUCTION OF IMPROVEMENTS**

11.1. Destruction of Common Area. In the event of partial or total destruction of any portion of the Common Areas and Facilities within the Condominium, the Board shall promptly take the following action:

(a) The Board shall ascertain the cost of reconstruction by obtaining fixed price bids, including the obligation to obtain performance and lien payment bonds;

(b) The Board shall determine the amount of insurance proceeds, if any, payable by contacting the appropriate representative of the insurer carrying the policy covering the Condominium; and

(c) Pursuant to Section 57-8-30 of the Act, if the Insurance proceeds are sufficient to reconstruct the building, such proceeds shall be applied to such reconstruction.

11.2 Destruction of Unit. No Unit, if partially or entirely destroyed, shall have an obligation or requirement to rebuild, but shall have an obligation to reconstruct any destroyed Exclusive Limited Common Area shared with another Unit, and may not leave its unit in an uninhabitable or dangerous condition if the Unit Owner chooses not to rebuild.

11.3. Negotiations with Insurer. The Association shall have full authority to negotiate in good faith with representatives of the insurer of any totally or partially destroyed building or any other portion of the Common Areas and Facilities, and to make settlements with the insurer for less than full insurance coverage on the damage to such building or any other portion of the Common Area and Facilities. Any settlement made by the Association in good faith shall be binding upon all Owners and Lenders.

ARTICLE 12
EMINENT DOMAIN

12.1. Total Taking of a Unit. If a Unit is taken by eminent domain, or sold under threat thereof, or if part of a Unit is taken by eminent domain, or sold under threat thereof, leaving the Owner with a remnant which may not be practically or lawfully used for any purpose permitted by this Declaration, the award must compensate the Owner for his Unit and Allocated Interest in the Common Areas and Facilities, regardless of whether any Common Areas and Facilities are taken. Upon such a taking, unless the decree otherwise provides, that Unit's Allocated Interest in the Common Areas and Facilities shall automatically be reallocated to the remaining Units in proportion to their respective interests immediately before the taking. Upon such a taking, the Association shall prepare, execute, and record an amendment to the Declaration in compliance with the Act. Any remnant of a Unit remaining after part of a Unit is taken, if such has no legal use, or a use so limited as to destroy the practical value of the piece, becomes a Common Area and Facility.

12.2. Partial Taking of a Unit. Except as provided in Section 12.1, if part of a Unit is taken by eminent domain, or sold under threat thereof, so that such Unit may still be practically and lawfully used under this Declaration, the award must compensate the Owner for the reduction in the value of his Unit and Allocated Interest in the Common Areas and Facilities, regardless of whether any Common Areas and Facilities are taken. Upon such a taking, unless the decree otherwise provides, that Unit's Allocated Interest in the Common Areas and Facilities shall remain the same, but if the decree provides for a reduction of the Allocated Interest for such Unit, the reduced amount shall automatically be reallocated to that Unit and the remaining Units in proportion to their respective Allocated Interests immediately before the taking, with the partially acquired Unit participating in the reallocation on the basis of its reduced Allocated Interest.

12.3. Taking of an Exclusive Limited Common Area and Facility. If the portion of the Condominium taken by eminent domain, or sold under threat thereof, is comprised of or includes any Exclusive Limited Common Area and Facility or portion thereof, the portion of the award attributable to the Limited Common Area and Facility so taken shall be divided among the Owners of the Units to which such Exclusive Limited Common Area and Facility was allocated at the time of the acquisition.

12.4. Taking of the Common Areas and Facilities. If the portion of Condominium taken by eminent domain, or sold under threat thereof, is not comprised of, or include, any Unit or Limited Common Area and Facility, the Board shall, as soon as practicable, cause the award to be utilized for the purpose of repairing or restoring the portion of the Condominium so taken, and the portion of the award not used for restoration shall be divided among the Owners in proportion to their Allocated Interest in the Common Areas and Facilities before the taking.

12.5. Taking of Entire Condominium. In the event the Condominium in its entirety is taken by eminent domain, or sold under threat thereof, the Condominium is terminated, and the provisions of the Act apply.

ARTICLE 13
LIMITATIONS UPON PARTITION AND SEVERANCE

13.1. No Partition. The right to partition the Condominium is hereby suspended, except that the right to partition shall revive and the Condominium may be sold as a whole when the conditions for such action set forth in Article 11 dealing with Destruction of Improvements, and Article 12 dealing with Eminent Domain have been met; provided, however, nothing contained in this Section shall be construed as limiting partition by joint Owners, upon the prior written approval of an applicable Lender, of one or more Units as to individual ownership of such Units provided the Condominium is not terminated.

13.2. No Severance. The elements of a Unit and other rights appurtenant to the ownership of a Unit, including interest in Common Areas and Facilities and Limited Common Areas and Facilities, if any, are inseparable, and each Owner agrees that he shall not, while this Declaration is in effect, make any conveyance of less than an entire Unit and such appurtenances. Any conveyance made in contravention of this Section, including under any conveyance, encumbrance, judicial sale or other transfer (whether voluntary or involuntary) shall be void.

13.3. Proceeds of Partition Sale. If an action is brought for the partition of the Condominium by sale, whether upon the occurrence of an event of destruction and a decision not to reconstruct or the taking of all or a portion of the Condominium by eminent domain, Owners shall share in the proceeds of such sale in the same proportion as their Allocated Interest in the Common Areas and Facilities (or as otherwise provided by the Act), but in such event, the liens and provisions of all Lenders or Assessment liens encumbering Units within the Condominium to encumbered shall extend to each applicable Owner's interest in the proceeds of such partition and sale. The interest of an Owner in such proceeds shall not be distributed to such Owner except upon the prior payment in full of any Assessment lien or lien of a Lender encumbering such proceeds.

ARTICLE 14
GENERAL PROVISIONS

14.1. Enforcement. The Association or any Owner shall have the right to enforce, by proceedings at law or in equity, all Restrictions and other provisions now or hereafter imposed by this Declaration, or any amendments thereto, including the right to prevent the violation of any such Restrictions, and the right to recover damages and other sums for such violation. The Association or any Owner shall also have the right to enforce by proceedings at law or in equity the provisions of the Bylaws

14.2. No Waiver. Failure by the Association or by any Owner to enforce any Restriction or provision herein contained, or contained in the Bylaws or Association Rules, in any certain instance or on any particular occasion shall not be deemed a waiver of such right of enforcement as to any such future breach of the same or any other Restriction or provision.

14.3. Cumulative Remedies. All rights, options and remedies of Declarant, the Association, the Owners or the Lenders under this Declaration are cumulative, and no one of them shall be exclusive of any other, and Declarant, the Association, the Owners and the Lenders shall have the right to pursue any one or all of such rights, options and remedies or any other remedy or relief which may be provided by law, whether or not stated in this Declaration.

14.4. Severability. Invalidation of any one or a portion of the Restrictions or provisions set forth in this Declaration or in the Bylaws or Association Rules by judgment or court order shall in no way affect any other Restrictions or provisions contained herein or therein which shall remain in full force and effect.

14.5. Covenants to Run with the Land: Term. The Restrictions and other provisions of this Declaration shall run with and bind the Condominium as equitable servitudes and also as covenants running with the land and shall inure to the benefit of and be enforceable by the Association or any Owner, their respective legal representatives, heirs, successors and assigns, unless and until the Condominium is terminated in accordance with section 14.19 below.

14.6. Allocation Upon Termination. Unless provided otherwise herein, upon any liquidation or termination of all or part of the Condominium, the Association shall represent the Owners in any proceedings, negotiations, settlements or agreements related thereto. Each Owner hereby appoints the Association as attorney-in-fact for such purpose, including the allocation of any losses, awards or proceeds resulting from such termination or liquidation. Any proceeds generated by such a termination or liquidation shall be made payable to the Association, who will hold such proceeds for the benefit of the Owners and their Lenders. Owners shall share in the proceeds of such termination or liquidation in the same proportion as their Allocated Interest in the Common Areas and Facilities (or as otherwise provided by the Act), but in such event, the liens and provisions of all Lenders or Assessment liens encumbering Units within the Condominium so encumbered shall extend to each applicable Owner's Interest in such proceeds. The interest of an Owner in such proceeds shall not be distributed to such Owner except upon the prior payment in full of any Assessment lien or lien of a Lender encumbering such proceeds.

14.7. Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a plan for the development of a commercial condominium community and for the maintenance of the Condominium. The Article and Section headings have been inserted for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction.

14.8. Gender and Number. Whenever the context of this Declaration requires, the singular shall include the plural, and vice versa, and the masculine shall include the feminine and the neuter, and vice versa.

14.9. Nuisance. The result of every act or omission whereby any provision or Restriction contained in this Declaration or any provision contained in the Bylaws or Association Rules is violated in whole or in part is hereby declared to be and shall constitute a nuisance, and every remedy allowed at law or in equity against a nuisance, either public or private, shall be applicable with respect to the abatement thereof and may be exercised by the Association or any Owner. Such remedy shall be deemed cumulative to all other remedies set forth in this Declaration and shall not be deemed exclusive.

14.10. Attorneys' Fees. In the event any action is instituted to enforce any of the provisions or Restrictions contained in this Declaration, the Bylaws or Association Rules, the party prevailing in such action shall be entitled to recover from the other party thereto, as part of the judgment, reasonable attorneys' fees and costs of suit.

14.11. Notices. Any notice to be given to an Owner, a Lender or the Association under the provisions of this Declaration shall be in writing and shall be delivered as follows:

(a) Notice to an Owner shall be delivered personally or placed in the first class United States Mail, postage prepaid, to the most recent address furnished by such Owner in writing to the Association for the purpose of giving notice, or if no such address shall have been furnished, then to the street address of such Owner's Unit. Any notice so deposited in the mail shall be deemed delivered seventy-two (72) hours after such deposit. In the case of co-Owners, any such notice may be delivered or sent to any one of the co-Owners on behalf of all co-Owners and shall be deemed delivered to all such co-Owners.

(b) Notice to a Lender shall be delivered by first class United States Mail, postage prepaid, to the most recent address furnished by such Lender in writing to the Association for the purpose of notice or, if no such address shall have been furnished, to any office of the Lender in Wasatch County, Utah, or if no such office is located in Wasatch County, to any office of such Lender. Any notice so deposited in the mail shall be deemed delivered seventy-two (72) hours after such deposit.

(c) The declaration of an officer or authorized agent of the Association declaring under penalty of perjury that a notice has been mailed to any Owner or Owners, or to any Lender or Lenders, to the address or addresses for the giving of notice pursuant to this Section, shall be deemed conclusive proof of such mailing.

(d) Notice to the Association shall be delivered by registered or certified United States Mail, postage prepaid, addressed to the office of the statutory agent of the Association or as follows:

DEER HAVEN OWNER'S ASSOCIATION
c/o Mike Petersen
67 East 500 South
Heber City, UT 84032

Any notice so deposited in the mail shall be deemed delivered upon the date of receipt.

14.12. Effect of Declaration. This Declaration is made for the purposes set forth in the recitals in this Declaration and Declarant makes no warranties or representations, express or implied, as to the binding effect or enforceability of all or any portion of this Declaration, or as to the compliance of any of these provisions with public laws, ordinances, regulations and the like applicable thereto. Declarant shall have no liability whatsoever if any of the provisions of this Declaration, the Bylaws or Association Rules are determined to be unenforceable in whole or in part or under certain circumstances.

14.13. Personal Covenant. To the extent the acceptance of a conveyance of a Unit creates a personal covenant between the Owner of such Unit and Declarant, other Owners or the Association, such personal covenant shall terminate and be of no further force or effect from and after the date when a

Person ceases to be an Owner except to the extent this Declaration provides for personal liability with respect to the Assessments incurred during the period a Person is an Owner.

14.14. Non-Liability of Officials. To the fullest extent permitted by law, neither the Board nor any officer of the Association shall be liable to any Owner or the Association for any damage, loss or prejudice suffered or claimed on account of any decision, approval or disapproval, course of action, act, omission, error or negligence if such Board member or officer acted in good faith within the scope of his or their duties.

14.15. Use of Funds Collected by the Association. All funds collected by the Association, including Assessments and contributions to the Association paid by Owners, if any, shall be held by the Association in a fiduciary capacity to be expended in their entirety for non-profit purposes of the Association in managing, maintaining, caring for and preserving the Common Areas and Facilities and for other permitted purposes as set forth in this Declaration. No part of said funds shall inure to the benefit of any Owner (other than as a result of the Association managing, maintaining, caring for and preserving the Common Areas and Facilities and other than as a result of expenditures made for other permitted purposes as set forth in this Declaration).

14.16. Notification of Sale and Transfer Fee. Concurrently with the consummation of the sale or other transfer of any Unit, or within fourteen (14) days after the date of such transfer, the transferee shall notify the Association in writing of such transfer and shall accompany such written notice with any nonrefundable transfer fee payable pursuant to the Association Rules, to cover Association documentation and processing. The Board may establish a transfer fee, from time to time, which shall be no more than the amount of the then current regular monthly assessment. The written notice shall set forth the name of the transferee and his transferor, the street address of the Unit purchased or acquired by the transferee, the transferee's mailing address, the date of the sale or transfer and the name and address of the transferee's Lender, if any. Prior to the receipt of such written notice, all notices required or permitted to be given by the Association to the Owner shall be deemed to be duly made or given to the transferee if duly and timely made and given to the transferee's predecessor in interest. The transfer fee shall be the personal obligation of the new Owner and shall be secured by the lien in Section 6.1 hereof Notwithstanding the other provisions hereof, this Section shall not apply to a Lender who becomes an Owner by a foreclosure proceeding or any deed or assignment in lieu of foreclosure.

14.17. Owner Liability and Indemnification. Each Owner shall be liable to the remaining Owners and to the Association for any damage to the Common Areas and Facilities that may be sustained by reason of the negligence of that Owner or such Owner's family members, tenants, guests or invitees, but only to the extent that any such damage is not covered by casualty insurance in favor of the Association. Each Owner, by acceptance of a deed for a Unit, agrees personally and for family members, tenants, guests and invitees to indemnify each and every other Owner, and to hold such other Owners harmless from, and to defend such Owners against, any claim of any person for personal injury or property damage occurring within the Unit of that particular Owner, including any Limited Common Areas and Facilities, if any, except to the extent (a) that such injury or damage is covered by liability insurance in favor of the Association or any other Owner, or (b) the injury or damage occurred by reason of the willful or negligent act or omission of the Association or other Owner or other person temporarily visiting such Unit.

14.18. Conflicting Provisions. In the case of any conflict between this Declaration and the Bylaws, or Association Rules, this Declaration shall control. In the case of any conflict between this Declaration and the Act, to the extent the Act does not legally allow the Declaration to contain provisions contrary to the Act, the Act shall control, and this Declaration shall be deemed modified accordingly. Notwithstanding the above, this Declaration shall be deemed modified and amended only to the extent necessary to come into compliance with the Act.

14.19. Termination of the Condominium. Notwithstanding anything to the contrary herein, and in accordance with Utah Code Ann. § 57-8-22, the Unit Owners agree that should a zoning change, variance or other action from Heber City ever allow for the termination of the Condominium and the subdividing of the Condominium into lots, such action shall be taken if 66% of the Allocated Interests of the Owners vote in favor of terminating the Condominium.

ARTICLE 15 AMENDMENTS

15.1. Amendments by Declarant Prior to First Sale. Except as provided elsewhere in this Declaration, prior to the conveyance of the first Unit to an Owner other than a Declarant, this Declaration and any amendments thereto may be amended or revoked by the execution by Declarant of an instrument amending or revoking the same.

15.2. Amendments by Declarant After First Sale. Declarant shall have the unilateral right (without obtaining the approval of the Owners, the Association, or existing Lenders) to amend this Declaration until the Turnover Date, if such amendment is required solely: (i) to comply with applicable law or to correct any error or inconsistency of the Declaration and if such amendment does not adversely affect the rights of any Owner or Lender, or (ii) to comply with the rules or guidelines, in effect from time to time, of any governmental or quasi-governmental entity or federal corporation guaranteeing or insuring mortgage loans or governing transactions involving mortgage instruments (including, without limitation, the Veterans Administration, Federal Housing Administration, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, or any similar agency). If such amendment bears recitation that it is recorded based on such technical error or the requirements of any of the foregoing agencies, such amendment shall not require approval of any Owners or Lenders.

15.3. General Amendment Requirements. Except as permitted by Article 3, Section 15.1, Section 15.2, or as otherwise permitted or required by the Act, this Declaration may be amended only by vote or agreement of Owners of not less than 70% of the Allocated Interest. Prior to the Turnover Date, this Declaration shall not be amended without Declarant's prior written consent.

15.4. Protection of Declarant's Rights. An amendment shall not terminate or decrease any unexpired Development Right, Special Declarant Right, or period of Declarant control unless the Declarant approves or consents in writing.

15.5. Execution of Amendments. An amendment or revocation which only requires the execution of an instrument by Declarant as hereinabove provided shall be effective when executed by Declarant and when recorded in the Office of the County Recorder of Wasatch County, Utah. An amendment which requires the affirmative written assent or vote of the Owners as hereinabove provided

shall be effective when executed by the President and Secretary of the Association who shall certify that the amendment has been so approved and the Declarant, if the Declarant's consent is also required, and when the amendment has been recorded in the Office of the County Recorder of Wasatch County, Utah.

15.6. Lender Approval. Subject to the foregoing, any provision of this Declaration which expressly requires the approval of a specified percentage of the Lenders for action to be taken under said provision can be amended only with the affirmative written assent or vote of not less than the same percentage of the Lenders; provided that in the event approval is requested in writing from a Lender with respect to a proposed amendment and a negative response is not returned within thirty (30) days following the Lender's receipt of the request, by certified or registered mail, with a return receipt requested, the Lender shall be deemed to have approved the proposed amendment.

[Acknowledgements and Signatures on following Page]

IN WITNESS WHEREOF, Declarant has executed this Declaration as of this 4 day of Feb, 2020.

DECLARANT:

THE LOFTS AT DEER HAVEN LLC



By: Mike Petersen

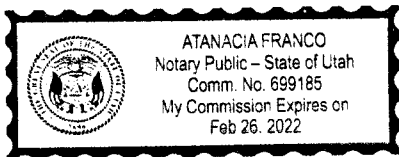
Its: Manager

ACKNOWLEDGMENT

STATE OF UTAH)
 :ss
COUNTY OF WASATCH)

On this 4 day of February, 2020, Mike Petersen personally appeared before me and affirmed that he executed the foregoing DECLARATION OF CONDOMINIUM AND DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR DEER HAVEN CONDOMINIUM OWNER'S ASSOCIATION in his capacity as the Manager of The Lofts at Deer Haven LLC, and that he has been duly authorized by the company to make this dedication on its behalf.

Atanacia Franco
NOTARY PUBLIC



Project No: 190523
The Lofts at Deer Haven Condominiums
Date: February 03, 2021
Page 1 of 1

Ent 493531 Bk 1337 Pg 143

EXHIBIT "A"

EXISTING DEED REFERENCE:

QUITCLAIM DEED
ENTRY NO. 478591
BOOK 1294 PAGE 1553
APN 00-0011-8260

**BOUNDARY DESCRIPTION
THE LOFTS AT DEER HAVEN CONDOMINIUMS**

BEGINNING AT THE SOUTHWEST CORNER OF LOT 1 IN BLOCK 30, HEBER CITY SURVEY OF BUILDING LOTS, AND RUNNING THENCE SOUTH 89°12' EAST, 114.32 FEET, THENCE NORTH 0°48' EAST 165.99 FEET, THENCE SOUTH 89°12' EAST, 114.32 FEET TO THE NORTHWEST CORNER OF SAID LOT, THENCE SOUTH 0°48' WEST 165.99 FEET MORE OR LESS TO THE PLACE OF BEGINNING.
CONTAINING 0.44 ACRES, 18975 SQUARE FEET MORE OR LESS.

BASIS OF BEARINGS

THE BASIS OF BEARING FOR THIS SURVEY WAS ESTABLISHED AS SOUTH 89°12'00" EAST BETWEEN SANDSTONE REFERENCE MONUMENTS MARKING THE SOUTHEAST CORNER OF BLOCKS 20 AND 17, WASATCH COUNTY RECORDS.

THE FORGOING DESCRIPTION PREPARED BY AND IN ACCORDANCE WITH A SURVEY BY LEGEND ENGINEERING DECEMBER 2019, RECORD OF SURVEY FILING No. 3411, WASATCH COUNTY RECORDS.

BYLAWS
OF
DEER HAVEN CONDOMINIUM OWNER'S ASSOCIATION, INC.
A Utah Nonprofit Corporation
Organized Under the Utah Revised Nonprofit Corporation Act

**BYLAWS
OF
DEER HAVEN CONDOMINIUM OWNER'S ASSOCIATION, INC.
A UTAH NONPROFIT CORPORATION**

The administration of Deer Haven Condominium Owner's Association, Inc. (the "Association") shall be governed by the Condominium Ownership Act (Title 57, Chapter 8, Utah Code Annotated), and the Revised Nonprofit Corporation Act (Title 16, Chapter 6a, Utah Code Annotated), the Declaration of the Deer Haven Condominium Owner's Association, recorded on _____, 2020, as Entry No. _____, in Book ____, beginning at Page No. ____ of the official records of Wasatch County, Utah (the "Declaration"); the Articles of Incorporation for Deer Haven Condominium Owner's Association, Inc. (the "Articles"); and these Bylaws (as the Declaration, Articles and these Bylaws may from time to time be amended).

I. NAME, PRINCIPAL OFFICE, DEFINITIONS AND APPLICATION

1. Name. The name of the Association is "Deer Haven Condominium Owner's Association".
2. Principal Office. The principal office of the Association shall be located at 67 East 500 South #103, Heber City, Utah 84032, or at any other place as may be designated in the most recent document on file with the Utah Department of Commerce, Division of Corporations and Commercial Code (the "Division") providing information regarding the principal office of the Association. The Association shall maintain at its principal office a copy of such corporate records as may be required by Section 16-6a-1601 of the Utah Revised Nonprofit Corporation Act (the "Act").
3. Registered Office. The registered office of the Association required to be maintained by Section 16-6a-501 of the Act shall be the registered office as originally so designated in the Association's Articles of Incorporation or subsequently designated as the Association's registered office in the most recent document on file with the Division providing such information. The Association shall maintain a registered agent at the registered office, as required by Section 16-6a-501 of the Act. The registered office and registered agent may be changed from time to time as provided in Sections 16-6a-501 and 502 of the Act.
4. Definitions. These Bylaws shall operate under the Act, as amended. The words used in these Bylaws shall be given their normal, commonly understood definitions. Capitalized terms shall have the same meaning as set forth in Section 1 of the Declaration, unless the context indicates otherwise.
5. Bylaws' Application. All present and future Owners, mortgagees, lessees and Occupants of Units and their employees and guests, and any other persons who may use the facilities of the Project in any manner are subject to the Declaration, these Bylaws and all rules and regulations made pursuant hereto and any amendments hereof. The acceptance of a deed or conveyance of a Unit, or the occupancy of any Unit, shall constitute an agreement that the provisions of the Declaration and these Bylaws and any rules and regulations made pursuant hereto, as they may be amended from time to time, are accepted, ratified and will be complied with.

II. MEMBERSHIP, VOTING AND MEETINGS

1. Association Membership; Voting. Every Owner of a Unit, including Declarant, shall be a member of the Association ("Member"), and the Declarant shall be a member of the Association so long as it owns any part of the Project (unless and until the Declarant expressly relinquishes in writing its status as a Member). The foregoing is not intended to include a person or entity who holds an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the Owner's Association Membership.

2. Classes of Association Membership; Voting. The Association shall have two classes of voting memberships (each, an "Association Membership"):

A. Class A Association Memberships. All Association Memberships shall be Class A Association Memberships except the Class B Association Memberships held by the Declarant. Each Owner of a Unit shall become a Class A Association Member of the Association and shall receive an Association Membership for each Unit held by the Owner. Each Class A Association Membership shall have the voting rights (as set forth in percentages) set forth in Exhibit A. Each Owner shall be entitled to vote for each Class A Association Membership held by the Owner (each, a "Class A Vote"), subject to the authority of the Board to suspend the voting rights of the Owner for violations of the Declaration in accordance with its provisions thereof. Each Class A Association Membership in the Association shall be held jointly by all Owners of a Unit.

B. Class B Association Memberships. Declarant shall be a Class B Association Member of the Association and shall possess one (1) Class B Association Membership for each Unit held by Declarant. Each Class B Association Membership shall have the voting rights associated with the Unit owned as set forth in percentages in Exhibit A. Class B Association Memberships shall cease and shall be converted to Class A Association Memberships at such time as 50% of the Units of the entire Condominium are sold by Declarant.

C. Vote Calculations. Except as otherwise expressly provided in the Declaration or in any of the other Project Documents, any issue put to a vote by ballot without a meeting or at a duly called meeting of Members at which a quorum is present shall be decided by a simple majority of all votes represented in person or by valid proxy at such meeting, regardless of whether such votes are otherwise deemed to be Class A Votes or Class B Votes.

D. Voting Procedures. A change in the ownership of a Unit shall be effective for voting purposes from the time the deed or other instrument effecting such change is recorded, or, in connection with Owners who are vendees, upon the execution of the installment purchase contract. Thereafter, the new Owner shall give the Board written notice of such change of ownership and provide satisfactory evidence thereof. The vote for each Class A Association Membership must be cast as a unit, and fractional votes shall not be allowed. If any Class A Association Member casts a vote representing a certain Unit, it will thereafter be conclusively presumed for all purposes that he, she or it was acting with the authority and consent of all other Owners of the same Unit unless objection thereto is made at the time the vote is cast. In the event more than one Owner attempts to cast the vote for a particular Unit, the vote for that Unit shall be deemed void and shall not be counted.

3. Association Membership Rights. Each Member shall have the rights, duties and obligations set forth in the Declaration as the same may be amended from time to time.

4. Transfer of Class A Association Membership. The rights and obligations of the Owner of a Class A Association Membership in the Association shall not be assigned, transferred, pledged,

designated, conveyed or alienated in any way except upon transfer of ownership to an Owner's Unit and then only to the transferee of ownership to the Unit. A transfer of ownership to a Unit may be effected by deed, intestate succession, testamentary disposition, foreclosure or such other legal process as now in effect or as may hereafter be established under or pursuant to the laws of the State of Utah. Any attempt to make a prohibited transfer shall be void. Any transfer of ownership to a Unit shall operate to transfer the Class A Association Membership(s) appurtenant to such Unit to the new Owner(s) thereof.

5. Annual Meeting. The annual meeting of Members shall be held each year on a date and at a time designated by the Members. At the meeting, Trustees (as defined below) shall be elected and any other proper business may be transacted. If the election of Trustees shall not be held on the day designated herein for any annual meeting of the Members, or at any adjournment thereof, the Board shall cause the election to be held at a meeting of the Members as soon thereafter as may be convenient. Failure to hold an annual meeting as required by these Bylaws shall not affect the validity of any corporate action or work a forfeiture or dissolution of the Association.

6. Special Meetings. Special meetings of the Association may be called by the Declarant, the President, the Board, or Members representing at least fifty percent (50%) or more of the votes of the Association.

7. Place of Meetings. Each annual or special meeting of the Members shall be held at such place within the Project as may be designated by the Board. In the absence of any such designation, meetings shall be held at the principal office of the Association.

8. Notice of Meetings.

A. Required Notice. The Association shall give notice to Members of the date, time, and place of each annual and special meeting of Members no fewer than ten (10) nor more than sixty (60) days before the meeting date, in accordance with the requirements of Section 16-6a-704 of the Act. Unless otherwise required by law or the Articles, the Association is required to give the notice only to Members entitled to vote at the meeting.

B. Contents of Notice. The notice of each special meeting must include a description of the purpose or purposes for which the meeting is called. Except as provided in this Section 2.8, or as otherwise required by the Act, other applicable law, or the Articles, notice of an annual meeting need not include a description of the purpose or purposes for which the meeting is called.

C. Adjourned Meeting. If any annual or special meeting of Members is adjourned to a different date, time or place, then subject to the requirements of the following sentence notice need not be given of the new date, time and place if the new date, time and place are announced at the meeting before adjournment. If the adjournment is for more than thirty (30) days, or if after the adjournment a new record date for the adjourned meeting is or must be fixed under Section 2.9 of these Bylaws, notice of the adjourned meeting must be given pursuant to the requirements of Section 2.9 of these Bylaws to Members of record entitled to vote at the meeting.

D. Waiver of Notice. A Member may waive notice of any meeting (or any other notice required by the Act, the Articles or these Bylaws) by a writing signed by the Member entitled to the notice, which is delivered to the Association (either before or after the date and time stated in the notice as the date and time when any action will occur), for inclusion in the minutes or filing with the Association records. A Member's attendance at a meeting; waives objection to lack of notice or defective notice of the meeting, unless the Association Member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting because of lack of notice or defective notice;

and waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the Member objects to considering the matter when it is presented.

9. Fixing of Record Date. For the purpose of determining the Class A Association Members entitled to: notice of or to vote at any meeting of Members or any adjournment thereof; take action without a meeting; demand a special meeting; or take any other action, the Board may fix in advance a date as the record date. As provided in Section 16-6a-706(4) of the Act, a record date fixed pursuant to such section may not be more than seventy (70) days prior to the date on which the particular meeting or action requiring such determination of Members is to be taken. If no record date is otherwise fixed by the Board as provided herein, then the record date for the purposes set forth below shall be the close of business on the dates indicated:

A. Annual or Special Meeting. With respect to a determination of Members entitled to notice of and to vote at an annual or special meeting of Members, the day before the first notice is delivered to Members.

B. Demand for Special Meeting. With respect to a determination of Members entitled to demand a special meeting of Members, the later of the earliest date of any of the demands pursuant to which the meeting is called, and the date that is sixty (60) days prior to the date the first of the written demands pursuant to which the meeting is called is received by the Association.

C. Action Without Meeting. With respect to a determination of Members entitled to take action without a meeting (pursuant to Section 2.16 of these Bylaws) or entitled to be given notice of an action so taken, the date the first Member delivers to the Association a writing upon which the action is taken.

A determination of Members entitled to notice of or to vote at any meeting of Members is effective for any adjournment of the meeting unless the Board fixes a new record date, which it must do if the meeting is adjourned to a date more than one hundred twenty (120) days after the date fixed for the original meeting.

10. Member List for Meetings. The officer or agent having charge of the membership transfer books for Memberships of the Association shall prepare a list of the names of all Members entitled to be given notice of, and to vote at, each meeting of Members. The list must be in alphabetical order and must show the address of, and the number of votes held by, each Member. The Member list must be available for inspection by any Member beginning on the earlier of ten (10) days before the meeting for which the list was prepared, or two (2) business days after notice of the meeting is given and continuing through the meeting and any adjournments thereof. The list must be available at the Association's principal office or at a place identified in the meeting notice in the city where the meeting is to be held. A Member or a Member's agent or attorney is entitled on written demand to the Association, to inspect and copy, at such Member's sole and exclusive expense, the list during regular business hours, during the period it is available for inspection. The list is to be available at the meeting for which it was prepared, and any Member or any Member's agent or attorney is entitled to inspect the list at any time during the meeting for any purpose germane to the meeting. The Member list is to be maintained in written form or in another form capable of conversion into written form within a reasonable time.

11. Quorum and Adjournment. A quorum shall consist of fifty percent (50%) of the Class A Votes. In the absence of a quorum at an Association meeting, a majority of those present in person may adjourn the meeting to another time but may not transact any other business. An adjournment for lack of a quorum by those in attendance shall be to a date not less than five (5) nor more than thirty (30) days

from the original meeting date. The quorum for an adjourned meeting shall be twenty-five percent (25%) of the Class A Votes and/or Class B Votes, if any, of the Association. If the time and place for an adjourned meeting is not fixed by those in attendance at the original meeting, or if for any reason a new date is fixed for the adjourned meeting after adjournment, notice of the time and place of the adjourned meeting shall be given to Members in the manner prescribed for regular meetings of the Association.

12. Business. The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough to leave less than a quorum, provided that Association Members representing at least twenty-five percent (25%) of the total Class A and Class B Votes in the Association remain in attendance, and provided that any action taken is approved by at least a majority of the Class A Votes and Class B Votes required to constitute a quorum.

13. Proxies. Members may vote by proxy. No proxy shall be valid unless signed by the Owner or his or her duly authorized attorney-in-fact, dated, and filed with the Secretary of the Association prior to any meeting for which it is to be effective. A proxy is valid for eleven (11) months from its date of execution, unless a longer period is expressly provided in the proxy.

14. Conduct of Meetings. The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring at the meeting. *Robert's Rules of Order* (latest edition) shall govern the conduct of the Association's meeting when not in conflict with these Bylaws.

15. Minutes. Minutes of the annual and special meetings of the Association shall be distributed to each Member within sixty (60) days after the meeting.

16. Action Without Meeting. Unless otherwise provided in the Articles, and subject to the provisions of Section 707 of the Act, any action required or permitted to be taken at a meeting of the Members may be taken without a meeting and without prior notice, if one or more consents in writing, setting forth the action so taken, shall be signed by Members having no less than the minimum number of votes that would be necessary to authorize or take the action at a meeting at which a quorum was present and voted. Unless the written consents of all Members entitled to vote have been obtained, notice of any Member approval without a meeting shall be given at least ten (10) days before the consummation of the action authorized by the approval. Such notice shall meet the requirements of Section 2.9 above and be delivered to all Members identified pursuant to Section 707(2) of the Act. An action taken by written consent of the Members as provided herein has the same effect as action taken at a meeting of such members and may be so described in any document.

A. Revocation of Written Consent. Any Member giving a written consent, or the Member's proxy holder, personal representative or transferee may revoke a consent by a signed writing describing the action and stating that the Member's prior consent is revoked, if the writing is received by the Association prior to the effectiveness of the action.

B. Termination of Written Consent. An action taken by written consent of the Members as provided herein is not effective unless all written consents on which the Association relies for the taking of the action are received by the Association within a sixty-day period. An action so taken is effective as of the date the last written consent necessary to affect the action is received by the Association, unless all of the written consents necessary to affect the action specify a later date as the effective date of the action, in which case the later date shall be the effective date of the action.

C. Method of Transmission of Consents. Unless otherwise provided in these Bylaws, the written consents 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.

D. Election of Trustees by Written Consent. Notwithstanding the other provisions of these Bylaws, Trustees may not be elected by written consent except by unanimous written consent of all Association Members entitled to vote for the election of Trustees.

E. Record Date. As set forth in Section 2.10, if not otherwise determined as permitted by the Act and these Bylaws, the record date for determining Members entitled to take action without a meeting or entitled to be given notice of any action so taken is the date the first Member delivers to the Association a writing upon which the action is taken.

F. Waiver of Notice. Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by an Member shall be deemed waiver by such Member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting also shall be deemed waiver of notice of all business transacted unless an objection on the basis of lack of proper notice is raised before the business is put to a vote.

G. Meetings by Telecommunication. Unless otherwise provided in these Bylaws, any or all of the Members may participate in an annual or special meeting of Members by, or the meeting may be conducted through the use of, any means of communication by which all persons participating in the meeting can hear each other during the meeting. A Member participating in a meeting by this means in considered to be present in person at the meeting.

17. Maintenance of Records and Member Inspection Rights.

A. Corporate Records. As required by Section 1601 of the Act, the Association shall keep as permanent records minutes of all meetings of its Members and Board, a record of all actions taken by the Members or Board without a meeting, a record of all actions taken on behalf of the Association by a committee of the Board in place of the Board, and a record of all waivers of notices of meetings of Members, meetings of the Board, or any meetings of committees of the Board. The Association shall also maintain appropriate accounting and Member records as required by the statute. The Association shall keep at its principal office those corporate records and documents identified in Section 1601(5) of the Act and listed in the following paragraph.

B. Inspection Rights of Records Required at Principal Office. Pursuant to Section 1602(l) of the Act, a Member or Trustee of the Association (or such personal agent or attorney) who gives the Association written notice of the demand at least five (5) business days before the proposed inspection date, has the right to inspect and copy, at such Member's or Trustee's sole and exclusive expense, during regular business hours, any of the following records, all of which the Association is required to keep at its principal office:

19.1.1. its Articles of Incorporation as then in effect;

19.1.2. its Bylaws as then in effect;

19.1.3. the minutes of all Members, meetings, and records of all actions taken by Members without a meeting, for the past three (3) years;

19.1.4. all written communications within the past three (3) years to Members as a group or to the holders of any class or series of Association Memberships as a group;

19.1.5. a list of the names and addresses of its current officers and Trustees;

19.1.6. its most recent annual report delivered to the Division; and

19.1.7. all financial statements prepared for periods ending during the last three (3) years that a Member could request under Section 1605 of the Act.

C. Conditional Inspection Rights. In addition to the inspection rights set forth in paragraph 2.19 above, as provided in Section 1602(2) of the Act, a Member or Trustee of the Association (or such person's agent or attorney) who gives the Association a written demand in good faith and for a proper purpose at least five (5) business days before the requested inspection date, and describes in the demand with reasonable particularity the records proposed to be inspected and the purpose of the inspection, is entitled to inspect and copy, during regular business hours at a reasonable location specified by the Association, any of the following records of the Association:

1. excerpts from minutes of meetings of, and from actions taken by, the Members, the Board, or any committees of the Board, to the extent not subject to inspection under paragraph 2.19 of this Section;
2. accounting records of the Association; and
3. the record of Members (compiled no earlier than the date of the demand for inspection).

For the purposes of paragraph 2.17, a proper purpose means a purpose reasonably related to the demanding party's interest as a Member or Trustee. A party may not use any information obtained through the inspection or copying of records permitted by this paragraph for any purposes other than those set forth in a proper demand as described above, and the officers of the Association are authorized to take appropriate steps to ensure compliance with this limitation.

18. Financial Statements and Share Information. Within fifteen (15) days of receipt of a written request of any Member, the Association shall mail to the requesting Member its most recent annual or quarterly financial statements.

19. Voting for Trustees. Unless otherwise provided in the Articles or the Act, Trustees are elected by a plurality of the Class A Votes and Class B Votes, if any, cast by the Members entitled to vote in the election at a meeting at which a quorum is present, in accordance with the requirements and procedures set forth in Section 804 of the Act. There shall be no cumulative voting. The candidate(s) receiving the most Class A Votes and Class B Votes, if any, shall be elected as Trustees.

III. BOARD OF DIRECTORS

1. Number and Powers. The governing body of the Association shall be the Board of Directors. Cumulative voting shall not apply for the purpose of electing members of the Board. The Board shall consist of not less than three (3) and not more than five (5) members. Each Unit shall be entitled to

one member on the Board, by appointment. Any owner which owns more than one unit shall be entitled to appoint a separate board member for each Unit owned. The fifth seat shall be elected by the Owners of the Units voting their respective Allocated Interest as set forth in Exhibit A. Except as otherwise provided in this Declaration, the Bylaws, or Association Rules, the Board may act in all instances on behalf of the Association. The initial Board shall be appointed by the Declarant and shall serve until the first meeting of the Association, at which time an election of all the Trustees shall be conducted. The Board may also appoint various committees and appoint a manager who shall, subject to the direction of the Board, be responsible for the day-to-day operation of the Association. The Board shall determine the compensation to be paid to the manager. The Board's responsibilities shall include, but shall not be limited to, the following:

- A. administration, including administrative support as required for the Architectural Review Committee;
- B. preparing and administering an operational budget;
- C. establishing and administering an adequate reserve fund;
- D. scheduling and conducting the annual meeting and other meetings of the Members;
- E. collecting and enforcing the Assessments;
- F. accounting functions and maintaining records;
- G. promulgation and enforcement of the rules and guidelines for the use and enjoyment of the Project and the Common Areas;
- H. pledging future Assessments as collateral to secure Association financing;
- I. maintenance of the Common Areas; and
- J. all the other duties imposed upon the Board pursuant to the Declaration, including enforcement thereof.

2. Declarant Control.

A. The Declaration establishes a period of Declarant control of the Association, during which period the Declarant or persons designated by it have authority to appoint and remove the Trustees and officers of the Board. The period of Declarant control shall terminate no later than the earlier of: (i) two (2) years after the first Unit is conveyed to an Owner; or (ii) after fifty (50%) of the Units have been sold.

B. Not later than the termination of the period of Declarant control, the Members shall elect a Board of no less than five (5) Trustees as established in section 3.1 above. The Trustees and officers of the Board shall take office upon election.

3. Composition. Each Trustee shall have one (1) equal vote. Except with respect to Trustees appointed by the Declarant, the Trustees shall be Members, spouses of such Members, or duly appointed agents of Members.

4. Election and Term of Office. Trustees shall be elected by the Members, or appointed by the other Trustees, as set forth in these Bylaws. Trustees shall hold office for a term of two (2) years, or until the appointment or election of their successors. Trustees may be elected to serve any number of consecutive terms.

5. Removal of Trustees and Vacancies. Any Trustee may be removed, with or without cause, by the vote of Members holding a majority of Class A Votes and Class B Votes, if any, entitled to be cast for the election of such Trustee. Any Trustee whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a Trustee, a successor shall be elected by the Members entitled to elect the Trustee so removed to fill the vacancy for the remainder of the term of such Trustee.

A. Removal by Trustees. Any Trustee who has three (3) consecutive unexcused absences from Board meetings, or who is more than thirty (30) days delinquent in the payment of any Assessment or other charge due the Association, may be removed by a majority of the Trustees present at a regular or special meeting at which a quorum is present, and a successor may be appointed by the Board to fill the vacancy for the remainder of the term.

B. Appointment by Trustees. In the event of the death, disability, or resignation of a Trustee, the Board may declare a vacancy. If the vacancy is of an appointed member, the appointing owner shall appoint a successor. If the vacancy is the elected member, the board shall appoint a successor to fill the vacancy until the next annual or special meeting, at which time the Members may elect a successor for the remainder of the term.

6. Compensation. No Trustee shall receive any compensation from the Association for acting as such unless approved by Members representing a majority of the total Class A Votes in the Association at a regular or special meeting. Any Trustee may be reimbursed by the Association for reasonable expenses of the Trustees for attendance at the Board meetings, or any other expenses incurred on behalf of the Association upon approval of a majority of the other Trustees. Trustees may be employed by the Association in another capacity and receive compensation for such employment; provided, further, that such employment shall be approved by vote or in writing by all Trustees not including the Trustee to be employed.

7. Regular Meetings. The Board meetings shall be held at least quarterly at such times and places as the Board shall determine. No notice shall be necessary to the newly elected Board in order to legally constitute such meeting, provided a majority of the Trustees are present. The Board may set a schedule of additional regular meetings by resolution, and no further notice is necessary to constitute regular meetings.

8. Special Meetings. Special meetings of the Board may be called by written notice signed by any two (2) Trustees. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The person or persons authorized to call special meetings of the Board may fix the time and place of the meeting so called. Written notice of any special meeting shall be sent to all Trustees not less than seventy-two (72) hours prior to the scheduled time of the meeting; provided, however, that notice of such meeting need not be given to any Trustee signing a waiver of notice or a written consent to the holding of such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the U.S. mail, with first class postage thereon prepaid. If an agenda is prepared for a special meeting, the meeting need not be restricted to discussions of those items listed on the agenda.

9. Notice. Unless the Articles, Bylaws, or the Act provide otherwise, regular meetings of the Board may be held without notice of the date, time, place, or purposes of the meeting. Unless the

Articles or Bylaws provide for a longer or shorter period, special meetings of the Board must be preceded by two (2) days' notice of the date, time, and place of the meeting. The notice need not describe the purpose of the special meeting unless required by the Articles, Bylaws, or the Act. The giving of notice of any meeting shall be governed by the rules set forth in Section 103 of the Act.

10. Waiver of Notice. The transactions of any Board meeting, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (i) a quorum is present, and (ii) either before or after the meeting each of the Trustees not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting also shall be deemed given to any Trustee who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

11. Inspection of Books and Records. Any Trustee shall have the right at any reasonable time to inspect the books and records of the Association; provided, however, that the Board may restrict such inspection rights to the extent that the exercise thereof by any Trustee is determined to unduly interfere with the Association's day-to-day business activities.

12. Quorum, Voting and Adjournment. A majority of the Board shall constitute a quorum, and if a quorum is present, the decision of a majority of those present shall be the act of the Board. If less than a quorum is present at the meeting, a majority of the Trustees present may adjourn the meeting from time to time without further notice other than an announcement at the meeting, until a quorum shall be present. No Trustee may vote or act by proxy at any Board meeting.

13. Open Meetings. The Trustees shall act only as a Board, and individual Trustees shall have no powers as such. Regular and special meetings of the Board shall be open to all Members of the Association; provided, however, that the Members who are not on the Board may not participate in any deliberation or discussion unless permission to speak is requested on his or her behalf by a Trustee. In such case, the President may limit the time any Member may speak. Notwithstanding the above, the Board may, with the approval of a majority of a quorum of its Trustees, adjourn the meeting and reconvene in executive session, excluding Members, to discuss and vote upon matters of a sensitive nature, such as personnel matters, litigation in which the Association is or may become involved, and similar orders of business.

14. Action Without Meeting. Any action that is required or permitted to be taken at a Board meeting may be taken without a meeting if all of the Board or all Members of a committee established for such purposes, as the case may be, severally or collectively consent in writing to any action taken or to be taken by the Association, and the number of the Trustees constitutes a quorum. Action taken pursuant to this Section 3.14 shall be a valid corporate action as though it had been authorized at a meeting of the Board or the committee, as the case may be. The Secretary shall file these consents with the minutes of the Board meetings.

15. Board Committees. The Board may designate by resolution of the Trustees and appoint the Architectural Review Committee and such other committees and subcommittees as the Board deems appropriate, from time to time. Each committee shall exercise those powers granted to it by an enabling resolution of the Board; provided, however, that no committee shall exercise any power which is excluded from the delegation of power of the Board by the laws of the State of Utah, the Articles, or these Bylaws.

16. Telephonic Conference. Directors or any committee thereof may participate in a meeting of the Board or committee by means of telephonic conference or similar communications equipment by

which all persons participating in the meeting can hear each other at the same time. Such participation shall constitute presence in person at the meeting.

17. Fiscal Year. The fiscal year of the Association shall be set by resolution of the Board. In the absence of a Board resolution, the fiscal year shall be the calendar year.

18. Action by Owners. Except as specifically provided herein, the Board may not act on behalf of the Association to amend or terminate this Declaration, to elect members of the Board, except in filling vacancies in its membership for the unexpired portion of any term, or to determine the qualifications, powers and duties or terms of the Board of Directors.

IV. OFFICERS

1. Designation. The principal officers of the Association shall be a President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Board. The Board may appoint other officers as it finds necessary and such officers shall have the authority to perform the duties prescribed by the Board. Any two offices may be held by the same person, except the offices of President and Secretary. All officers must be Members of the Board.

2. Election and Term. The officers of the Association shall be elected annually by the Board at the organizational meeting of each new Board. They shall hold office at the pleasure of the Board.

3. Removal and Vacancies. Upon the affirmative vote of a majority of the Board, any officer may be removed, either with or without cause. A vacancy in any office arising because of death, resignation, removal or otherwise may be filled at any regular meeting of the Board or at any special meeting of the Board called for that purpose for the unexpired portion of the term.

4. President. The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the Members and of the Board. The President shall have all of the general powers and duties which are incident to the office of president of a nonprofit Association organized under the laws of the State of Utah, including but not limited to the power to appoint committees from among the Members from time to time as the President may decide is appropriate to assist in the conduct of the affairs of the Association. The President may fulfill the role of treasurer in the absence of the treasurer. The President may cause to be prepared and may execute amendments, attested by the Secretary, to the Declaration and these Bylaws on behalf of the Association, following authorization or approval of the particular amendment as applicable.

5. Vice President. The Vice President shall perform the functions of the President in his or her absence or inability to serve.

6. Secretary. The Secretary shall keep the minutes of all meetings of the Members and the Board. The Secretary shall have charge of the Association's books and papers as the Board may direct and shall perform all the duties incident to the office of secretary of a nonprofit Association organized under the laws of the State of Utah. The Secretary may cause to be prepared and may attest to execution by the President of amendments to the Declaration and these Bylaws on behalf of the Association, following authorization or approval of the particular amendment as applicable.

7. Treasurer. The Treasurer shall be responsible for Association's funds and securities, for keeping full and accurate financial records and books of account showing all receipts and disbursements and for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of

all monies and other valuable effects in depositories designated by the Board and shall perform all the duties incident to the office of treasurer of a nonprofit Association organized under the laws of the State of Utah. The Treasurer may endorse on behalf of the Association, for collection only, checks, notes and other obligations and shall deposit the same and all monies in the name of and to the credit of the Association in banks designated by the Board. Except for reserve funds described below, the Treasurer may have custody of and shall have the power to endorse for transfer, on behalf of the Association, stock, securities or other investment instruments owned or controlled by the Association or as fiduciary for others. Reserve funds of the Association shall be deposited in segregated accounts or in prudent investments, as the Board decides. Funds may be withdrawn from these reserves for the purposes for which they were deposited, by check or order, authorized by the Treasurer, and executed by two (2) Trustees, one of whom may be the Treasurer if the Treasurer is also a Trustee.

8. Resignation. Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

9. Execution of Instruments. Except as otherwise provided in these Bylaws, all agreements, contracts, deeds, leases, checks and other instruments of the Association shall be executed by any officer of the Association or by any other person or persons designated by the Board.

10. Statements of Unpaid Assessments. The Treasurer, manager or, in their absence, any officer having access to the books and records of the Association may prepare, certify, and execute statements of unpaid Assessments. The Association may charge a reasonable fee for preparing statements of unpaid Assessments. The amount of this fee and the time of payment shall be established by resolution of the Board.

11. Compensation. Officers shall receive such compensation for their services as may be authorized or ratified by the Board and no officer shall be prevented from receiving compensation by reason of the fact that such officer is also a director of the corporation. Appointment as an officer shall not of itself create a contract or other right to compensation for services performed as such officer.

V. ENFORCEMENT

1. Association's General Rights of Enforcement of Provisions of This and Other Instruments. The Association, as the agent and representative of the Owners and Members, shall have the right to enforce, by any proceeding at law or in equity, the covenants set forth in the Declaration, these Bylaws, and/or any and all covenants, restrictions, reservations, charges, servitudes, assessments, conditions, liens or easements provided for in any contract, deed, declaration or other instrument which (a) shall have been executed pursuant to, or subject to, the provisions of the Declaration, or (b) otherwise shall indicate that the provisions of such instrument were intended to be enforced by the Association or by Declarant. The Association's enforcement rights are set forth in Article 7 of the Declaration.

2. Fine for Violation. The Board may adopt resolutions providing for fines or other monetary penalties for the infraction of the Declaration. The Board may levy fines in amounts that it, in its sole discretion, shall determine to be reasonable for each violation of the Declaration, including those violations which persist after notice and an opportunity for a hearing is given.

3. Additional Enforcement Rights. Notwithstanding anything to the contrary in this Article V, the Board may elect to enforce any provision of the Declaration by self-help (specifically including,

but not limited to, the towing of vehicles that are in violation of parking rules and regulations) or by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the Owner responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorneys' fees actually incurred.

VI. INDEMNIFICATION

1. Actions By Or In The Right of The Association. The Association shall 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 an action by or in the right of the Association) by reason of the fact that he or she is or was a Trustee or officer of the Association, who is or was serving at the request of the Association in such capacity, against expenses (including expert witness fees, attorneys' fees and costs) judgments, fines, amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding, if he or she acted in good faith and in a manner which such individual reasonably believed to be in the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. Determination of any action, suit or proceeding by judgment, order, settlement or 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 he or she reasonably believed to be in the best interests of the Association and, with respect to any criminal action or proceeding, had reasonable cause to believe his or her conduct was unlawful. No indemnification shall be made in respect of any claim, issue or matter as to which such person has been adjudged to be liable for negligence or misconduct in the performance of his or her duty in the Association unless, and to the extent that the court in which such action or suit was brought determines 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 indemnification for such expenses if such court deems proper.

2. Successful on the Merits. To the extent that a Trustee, manager, officer, employee, fiduciary or agent of the Association has been wholly successful on the merits in defense of any action, suit or proceeding referred to in Section 6.1 above, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including expert witness fees, attorneys' fees and costs) actually and reasonably incurred by him or her in connection therewith.

3. Determination Required. Any indemnification under Section 6.1 (unless ordered by a court) and as distinguished from Section 6.2, shall be made by the Association only as authorized by the specific case upon a determination that indemnification of the Trustee or officer is proper in the circumstances because such individual has met the applicable standard of conduct set forth in Section 6.1 above. Such determination shall be made by the Board by majority vote of a quorum consisting of those directors who were not parties to such action, suit or proceeding or, if a majority of disinterested Trustees so commands, by independent legal counsel and a written opinion or by Members entitled to vote thereon.

4. Payment in Advance of Final Disposition. The Association shall pay for or reimburse the reasonable expenses incurred by a former or current Trustee or officer who is a party to a proceeding in advance of final disposition of the proceeding if the Trustee or officer furnishes to the Association a written affirmation of the Trustee's good faith belief that he or she has met the standard of conduct described in Section 6.1, the Trustee or officer furnishes to the Association a written understanding, executed personally or on the Trustee's or officer's behalf to repay the advance if it is ultimately determined that the Trustee or officer did not meet the standard of conduct and a determination is made that the facts then known to those making the determination would not preclude indemnification under this Article VI. The undertaking required in this Section 6.4 shall be an unlimited general obligation of

the Trustee or officer but need not be selected and may be accepted without reference to financial ability to make repayment.

5. No Limitation of Rights. The indemnification provided by this Article VI shall not be deemed exclusive of nor a limitation upon any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of the Members or disinterested Trustees, or otherwise, nor by any rights which are granted pursuant to the Act.

6. Trustees and Officers Insurance. The Association shall purchase and maintain insurance on behalf of any person who is or was a Trustee or an officer of the Association against any liability asserted against him or her and incurred by such individual 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 such individual against such liability under provisions of this Article VI. The Trustees and officers of the Association shall have the liabilities, and be entitled to indemnification, as provided in the Act.

VII. RECORDS

1. Records and Audits. The Association shall maintain financial records, and such other records as required by the Declaration or the Act. The cost of any audit shall be a Common Expense unless otherwise provided in the Declaration.

2. Examination. The Board shall establish reasonable rules with respect to:

A. Notice to be given to the custodian of the records by the Member or Trustee desiring to make the inspection;

B. Hours and days of the week when such an inspection may be made; and

C. Payment of the cost of reproducing copies of documents requested by a Member or Trustee.

3. Records. The books and accounts for the Association shall be kept in accordance with generally accepted accounting principles under the direction of the Treasurer. At the close of each fiscal year, the books and records of the Association shall be prepared by an independent public accountant approved by the Association, and financial statements shall be prepared by said accountant and distributed to all Members.

VIII. ASSESSMENTS

All Common Expenses shall be assessed in accordance with the Declaration. No Member shall be exempt from liability for Common Expenses by waiver of the use or enjoyment of any of the Project or by abandonment of his or her Unit. The Treasurer shall keep detailed records of all receipts and expenditures, including expenditures affecting the Project, specifying and itemizing the maintenance, repair and replacement expenses of the Project and any other expenses incurred. Such records shall be available for examination by the Members during regular business hours. In accordance with the actions of the Board in assessing Common Expenses against the Units, the Treasurer shall keep an accurate record of such Assessments and of the payments thereof by each Member. All Assessments shall be a separate, distinct and personal liability of the Members at the time each Assessment is made. The Board shall have the rights and remedies contained in the Act and in the Declaration to enforce the collection of Assessments. Any person who shall have entered into a written agreement to purchase a Unit, by written request directed to the Board, shall be entitled to obtain a written statement from the Treasurer setting

forth the amount of the monthly, quarterly, annual or other periodic Assessments and the amount of unpaid Assessments charged against such Unit and its Owner(s), and if such statement does not reveal the full amount of the unpaid Assessments as of the date it is rendered, neither the purchaser nor the Unit shall be liable for the payment of an amount in excess of the unpaid Assessments shown thereon, provided that the former Owner shall remain so liable. The new Owner shall, and the former Owner shall not, be liable for any Assessments made after the date of transfer of title, even though the expenses incurred or the advances made by the Board for which the Assessment is made relate in whole or in part to any period prior to that date. The Board is authorized to require a reasonable fee for furnishing such statements. In addition to the statements issuable to purchasers, the Board shall, upon ten (10) days' prior written request therefor, provide to any Member, to any person who shall have entered into a binding agreement to purchase a Unit and to any mortgagee, on request at reasonable intervals a current statement of unpaid Assessments for Common Expenses with respect to a Unit. The Board is authorized to require a reasonable fee for furnishing such statements.

1. IX. AMENDMENT TO BYLAWS

1. By Declarant. Prior to the conveyance of the first Unit by Declarant, Declarant may unilaterally amend these Bylaws. After such conveyance, and notwithstanding anything contained in these Bylaws to the contrary, these Bylaws may be amended unilaterally at any time and from time to time by Declarant (a) if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statute, rule or regulation, or judicial determination which shall be in conflict therewith to make technical correction to fix mistakes or remove/clarify ambiguities; or (b) if such amendment is reasonably necessary to enable any title insurance company to issue title insurance coverage with respect to the Units subject to the Declaration; provided, however, any such amendment shall not adversely affect the title to any Owner's property unless any such Owner shall consent thereto in writing.

2. By Members Generally. Except as provided above, these Bylaws may be amended only by the affirmative vote or written consent, or any combination thereof, of Members representing seventy-five percent (75%) of the total Class A Votes in the Association. In addition, the approval requirements set forth in the Declaration shall be met, if applicable. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

X. MISCELLANEOUS

1. Notices. Unless otherwise provided in these Bylaws, all notices, demands, bills, statements, or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by (i) United States mail, first class postage prepaid, (ii) e-mail with confirmation of delivery, or (iii) facsimile transmission with confirmation of delivery:

A. If to a Member, at the mailing address, e-mail address or facsimile number which the Member has designated in writing and filed with the Secretary or, if no such mailing address, e-mail address or facsimile number has been designated, at the address of the Unit of such Member; or

B. If to the Association, the Board, or the manager, at the principal office of the Association or the manager, if any, or at such other mailing address, e-mail address or facsimile number as shall be designated by notice in writing to the Members pursuant to this Section.

2. Conflicts. If there are conflicts between the provisions of Utah law, the Declaration, the Articles and these Bylaws, the provisions of Utah law, the Declaration, the Articles and these Bylaws (in that order) shall prevail.

3. Waiver. No restriction, condition, obligation or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason or any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

4. Severability. The provisions hereof shall be deemed independent and severable, and the invalid or partial invalidity or unenforceability of any one provision or portion hereof shall not affect the validity or enforceability of any other provision hereof.

5. Captions. The captions herein are inserted only as a matter of convenience and for reference and in no way to define, limit or describe the scope of these Bylaws nor the intent of any provision hereof.

6. Effective Date. These Bylaws shall take effect upon recording of the Declaration in the Office of the Wasatch County Recorder.

7. Seal. The Board may by resolution provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Association, the state of incorporation and the words "Corporate Seal."

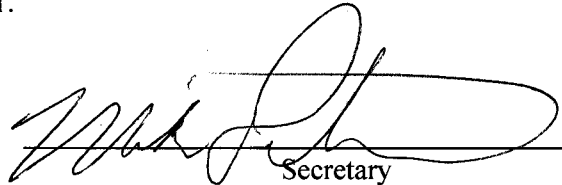
CERTIFICATION

I, the undersigned, do hereby certify:

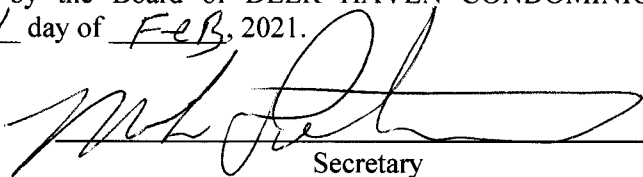
That I am the duly elected and acting Secretary of Deer Haven Condominium Owner's Association, Inc., a Utah nonprofit corporation.

That the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board of Trustees thereof held on the 4 day of FEB, 2021.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 4 day of FEB, 2021.


Secretary

Certified to be the Bylaws adopted by the Board of DEER HAVEN CONDOMINIUM OWNER'S ASSOCIATION, INC., dated this 4 day of FEB, 2021.


Secretary