

## DECLARATION OF CONDOMINIUM OF THE WESTON CONDOMINIUMS

(An Expandable Condominium Project)

This Declaration of Condominium is made as of the date hereinafter set forth by TMM Associates, L.C. (hereinafter referred to as the "Declarant") pursuant to the provisions of Section 57-8-1 et seq. of Utah Code Annotated known as the Utah Condominium Ownership Act (hereinafter referred to as the "Act").

### RECITALS

A. Declarant is the record owner of that certain tract of land more particularly described in Article II hereof.

B. Declarant is in the process of constructing upon said tract a Condominium Project, including certain Units and other improvements. All of such construction has been, or is to be, performed in accordance with the plans and drawings contained in the Record of Survey Map filed for record simultaneously herewith.

C. Declarant desires, by filing this Declaration and the Record of Survey Map, to submit said tract and all improvements now or hereafter constructed thereon to the provisions of the Utah Condominium Ownership Act as a Condominium Project to be known as "Weston Condominiums".

D. Declarant intends to sell to various purchasers the fee title to the individual Units contained in the Project, together with the undivided ownership interest in the Common Areas and Facilities appurtenant to such Units, subject to the covenants, conditions, restrictions, limitations, and easements herein set forth.

E. Declarant reserves the option, as more fully set forth in Article III below, to expand the Project to include certain additional tracts of land and improvements.

NOW THEREFORE, for the foregoing purposes, Declarant hereby declares and certifies as follows:

### ARTICLE I DEFINITIONS

When used in this Declaration (including that portion hereof captioned "Recitals" and the Bylaws attached hereto as Exhibit "C" and made a part hereof) the terms shall have the meaning stated in the Utah Condominium Ownership Act and as follows, unless the context otherwise requires.

1. Act shall mean and refer to the Utah Condominium Ownership Act, Title 57, Chapter 8, Utah Code Annotated (1953), as the same may be amended from time to time.
2. Additional Land shall mean all or any portion of the land described on Exhibit "B" attached hereto and made a part hereof.

3. Building shall mean and refer to a structure containing Units and comprising a part of the Project.

4. Common Areas or the Common Areas and Facilities shall mean and refer to and include:

(a) The real property and interest in real property which this Declaration submits to the provisions of the Act, including the entirety of the Tract and all landscaping, sidewalks, walkways, parking areas, private streets or roadways located thereon, and exterior Building surfaces including roofs and decks, but excluding all Units.

(b) Those Common Areas and Facilities specifically included in the respective Units as hereinafter defined.

(c) That part of the Project not specifically included in the respective Units as hereinafter defined.

(d) All Limited Common Areas and Facilities.

(e) All exterior walkways, streets, yards, gardens, fences, open parking spaces, installation of central services such as power, light, gas, all apparatus and installations existing for common use, such recreational and community facilities as may be provided for.

(f) All other parts of the Project normally in common use or necessary or convenient to its use, existence, maintenance, safety or management.

(g) Except as otherwise expressly stated herein, all Common Areas and Facilities as defined in the Act whether or not expressly listed herein.

5. Common Expenses shall mean all items, things and sums described in the Act which are lawfully assessed against the Unit Owners in accordance with the provisions of this Declaration, the Bylaws, such rules, regulations and other determinations and agreements pertaining to the Project as the Management Committee, the Unit Owners, or the Association as hereinafter mentioned, may from time to time adopt.

6. Condominium Project or Project shall mean and refer to: "Weston Condominiums".

7. Condominium Unit or Unit shall mean and refer to one of the residential living units in the Project, including any basement area for that Unit, intended for independent use as defined in the Act, together with the undivided interest in and to the Common Areas and Facilities appertaining to that Unit. Mechanical equipment and devices located within any Unit or located without said Unit but designated and designed to serve only that Unit, such as appliances, electrical receptacles and outlets, air conditioning compressors and other air conditioning apparatus and the like, shall also be considered part of the Unit, as shall all

decorated interiors, all surfaces of interior structural walls, floors and ceilings, windows, and window frames, doors and door frames, and trim consisting of, inter alia and as appropriate, wallpaper, paint, flooring, carpeting and tile. All pipes, wires, conduits, or other public utility lines or installation constituting part of a particular Unit or serving only that Unit, and any structural members of any other property of any kind, including fixtures and appliances, within any Unit, which are removable without jeopardizing the soundness, safety or usefulness of the remainder of the Building within which the Unit is situated, shall be considered part of the Unit.

8. Declarant shall mean and refer to the persons who execute the Declaration or on whose behalf the Declaration is executed.

9. Declaration shall mean and refer to this Declaration. This Declaration has been drafted to comply with the requirements of the Utah Condominium Ownership Act, Title 57, Chapter 8, Utah Code Annotated 1953. Any ambiguities, omissions, and/or conflicts shall be construed to comply with the provisions of said Act.

10. Limited Common Areas and Facilities or Limited Common Areas shall mean those Common Areas designated in the Declaration and shown on the Map as reserved for use of a certain Unit or Units to the exclusion of other Units. Limited Common Areas include storage areas and parking spaces specifically assigned for the exclusive use of the individual Unit Owners.

11. Management Body shall mean and refer to either the Management Committee or the Association, as the context may admit.

12. Management Committee or Committee shall mean and refer to the Committee as provided in the Declaration charged with and having the responsibility and authority to make and to enforce all of the reasonable rules and regulations covering the operation and maintenance of the Property.

13. Mortgage shall mean any mortgage, deed of trust, or other security instrument by which a Unit or any part thereof is encumbered.

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

15. Property shall mean and refer to the Tract or Entire Tract described in Exhibit "A", the buildings, all improvements and the structures thereon, all easements, rights and appurtenances belonging thereto, and all articles of personal property intended for use in connection therewith.

16. Record of Survey Map, Survey Map, or Map shall mean and refer to the Record of Survey Map filed herewith captioned "Weston Condominiums".

17. The Tract or Entire Tract shall mean and refer to the following described tract

of land situated in Utah County, State of Utah, together with all appurtenances thereto.

(See Exhibit "A" for Property Description)

18. Unit Number shall mean and refer to the number, letter or combination thereof which designates a Unit on the Map.

19. Unit Owner or Owner shall mean and refer to the Owner of the fee in a Unit and the ownership of an undivided interest in the Common Areas which are appurtenant thereto. The Declarant shall be deemed to be the Owner of all completed but unsold Units. In the event a Unit is the subject of an installment contract of sale, the Buyer shall, unless the Seller and the Buyer have otherwise agreed and have informed the Committee in writing of such agreement, be considered the Unit Owner for all purposes.

20. Weston Condominiums Association, Association of Unit Owners or the Association shall mean and refer to the Unit Owners acting as a group in accordance with the Declaration and Bylaws.

## ARTICLE II SUBMISSION TO THE ACT

Declarant hereby submits to the provisions of the Act the following described real property situated in Utah County, State of Utah, to wit:

(See Exhibit "A" for Property Description)

TOGETHER WITH all easements, rights-of-way, and other appurtenances and rights incident to, appurtenant to, or accompanying the above-described parcel of real property.

RESERVING UNTO Declarant, however, such easements and rights of ingress and egress over, across, through, and under the above described Tract and any improvements (other than Buildings) now or hereafter constructed thereon as may be reasonably necessary for the Declarant or for any assignee or successor of Declarant (in a manner which is reasonable and not inconsistent with the provisions of this Declaration): (i) To construct and complete each of the Buildings and all of the other improvements described in this Declaration or in the Survey Map recorded concurrently herewith, and to do all things reasonable necessary or proper in connection therewith; (ii) To improve portions of the Tract with such other or additional improvements, facilities, or landscaping designed for the use and enjoyment of all the Owners as Declarant or as such assignee or successor may reasonably determine to be the appropriate. If, pursuant to the foregoing reservations, 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 reservations hereby effected shall, unless sooner terminated in accordance with their terms, expire twenty (20 years) after the date on which this Declaration is filed for record in the office of the County Recorder of Utah 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 or record and rights incident thereto; all instruments of record which affect the above-described Tract or any portion thereof, including, without limitation, any Mortgage (and nothing in this paragraph shall be deemed to modify or amend such Mortgage); all visible easements and rights-of-way; all easements and rights-of-way, encroachments, or discrepancies shown on or revealed by the Survey Map or otherwise existing; an easement for each and every pipe, line, cable, wire, utility line, or similar facility which traverses or partially occupies the above-described Tract at such time as construction of all Project improvements is complete; and all easements necessary for ingress to, egress from, maintenance of, and replacement of all such pipes, lines, cables, wires, utility lines, and similar facilities.

### ARTICLE III COVENANTS, CONDITIONS AND RESTRICTIONS

The foregoing submission is made upon and under the following covenants, conditions and restrictions.

1. Description of Improvements. The improvements included in the Project will be located on the Tract above described, and all of such improvements are described on the Map. The Map indicates the number of Units which are to be contained in the Buildings and other significant facts relating to such Buildings and Common Areas.

Phase I of the Project will consist of a total of 12 Units in one Building. The Building will be conventional wood-frame construction with brick and stucco exterior and asphalt shingle roofing. The Building will consist of three levels, with the lower level being partially underground, making a building which is 2 1/2 stories in height. Each Unit will contain approximately 1,085 square feet of floor area and will consist of three bedrooms, 2 baths, a living room and a kitchen-dining area. The upper two levels will have a balcony for each Unit. Each lower level Unit will have a patio. Each Unit will be provided with one covered parking space which will not be attached to the Unit, and shall be designated as Limited Common Area.

2. Description and Legal Status of Units. The Map shows the Unit number of each Unit, its location, dimensions from which its areas may be determined, the Limited Common Areas which are reserved for its use, and the Common Areas of the Project. The individual family living Units shall be legally designated and described by number.

3. Allocation of Undivided Interest in Common Areas. Each Unit Owner shall have an equal undivided interest in the Common Areas and Facilities. Initially, each Unit Owner shall have an undivided one-twelfth (1/12) interest in the Common Areas and Facilities. If and when additional phases are added to the Project, each Unit Owner, including the Unit Owners for the Units added to the Project, as hereinafter set forth, shall have an equal undivided interest in the Common Areas and Facilities. The maximum number of Units to be included in the whole of the Project, if and when all of the Additional Land is added, shall be 168 Units.

4. Common and Limited Common Areas. The Common Areas contained in the Project are described and identified in Article I hereof and in the Map. Neither the

ownership of an undivided interest in the Common Areas nor the right of exclusive use of a Limited Common Area shall be separated from the Unit to which it appertains; and even though not specifically mentioned in the instrument of conveyance, such percentage of undivided interest and such right of exclusive use shall automatically accompany the conveyance of the Unit to which they relate.

5. Proportionate Ownership of Common Areas. The proportionate share of the Unit Owners in the Common Areas shall be for all purposes, including, but not limited to, voting and assessment for common expenses.

6. Holding Title. Title to a Unit may be held or owned by any entity and in any manner in which title to any other real property may be held or owned in the State of Utah, including, but without limitation, joint tenancy or tenancy in common.

7. No Separation. No part of a Unit or of the legal rights comprising ownership of a Unit may be separated from any other part thereof during the period of Unit ownership described herein, so that each Unit, the undivided interest in the Common Areas appurtenant to such Unit, and the exclusive right to use and occupy the Limited Common Areas appurtenant to each Unit, shall always be conveyed, devised, encumbered, or otherwise affected only together and may never be separated from one another. Every gift, devise, bequest, encumbrance, conveyance, judicial sale, or other transfer (whether voluntary or involuntary) respectively, shall be of the entire Unit, together with all appurtenant rights created by law or by this Declaration.

8. No Partition. The Common Areas shall be owned in common by all the Owners of Units, and no Unit Owner may bring action for partition thereof.

9. Use of Common Areas and Limited Common Areas. Subject to the limitations contained in the Declaration and the Bylaws, any Unit Owner shall have the non-exclusive right to use and enjoy the Common Areas and shall have the exclusive right to use and enjoy the Limited Common Areas designated herein (and on the Map) for exclusive use by such Unit Owner.

10. Maintenance. As more fully set forth in the Bylaws, each Owner shall at his own cost and expense maintain, repair, and decorate the interior of his Unit. As more fully set forth in the Bylaws, the Association shall provide maintenance and repairs upon all Common Areas and improvements.

11. Maintenance of Limited Common Areas. Each Owner shall keep the Limited Common Areas designed for use in connection with his Unit in a clean, sanitary and attractive condition at all times.

12. Easement for Encroachment. If any part of the Common Areas encroaches or shall hereafter encroach upon a Unit or Units, an easement for such encroachment and for the maintenance for the same, shall and does exist. If any part of a Unit encroaches or shall hereafter encroach upon the Common Areas or upon an adjoining Unit or Units, an easement for such encroachment and for maintenance shall and does exist. Such encroachment shall not be considered to be encumbrances either in the Common Areas or the Units.

Encroachments referred to herein include, but are not limited to, encroachments caused by error in the original construction of the building(s) on the Tract, by error in the Map, by settling, raising or shifting of the earth, or by changes in position caused by repair or reconstruction of the Project or any part thereof.

13. Access for Repair of Common Areas. Some of the Common Areas are or may be located within the Units or may be conveniently accessible only through the Units. The Owners of the other Units shall have the irrevocable right, to be exercised by the Committee as their agent, to have access to each Unit and to all Common Areas from time to time during such reasonable hours as may be necessary for the maintenance, repair or replacement of any of the Common Areas located therein or accessible therefrom or for making emergency repairs therein necessary to prevent damage to the Common Areas or another Unit or Units. The Committee shall also have such rights independent of the agency relationship. Damage to the interior of any part of the Unit or Units resulting from the maintenance, repair, emergency repair or replacement of any of the Common Areas or as a result of emergency repairs within another Unit at the instance of the Committee or of Unit Owners, shall be an expense of all the Unit Owners and assessed proportionately; provided, however, that if such damage is the result of negligence of the Owner of the Unit, then such Owner shall be financially responsible for all such damage. Amounts owing by Owners pursuant hereto shall be collected by the Committee by assessment pursuant to the Declaration and Bylaws.

14. Right of Ingress, Egress, Lateral Support. Each Owner shall have the unrestricted right to ingress and egress over, upon and across the Common Areas designated for use in connection with his Unit, and each Owner shall have the right to the horizontal and lateral support of a Unit, and such rights shall be appurtenant to and pass with the title to each Unit.

15. Easement to Management Committee. The Management Committee shall have non-exclusive easements to make such use of the Common Areas as may be necessary or appropriate to perform the duties and functions which they are obligated or permitted to perform pursuant to this Declaration.

16. Easement for Utility Services. There is hereby created a blanket easement upon, across, over and under the tract above described in Article II for ingress, egress, installation, replacement, repair and maintenance of all utilities, including, but not limited to, water, sewer, gas, telephone, electricity and other utility services.

17. Legal Description of a Unit. Each conveyance or installment contract for the sale of a Unit and every other instrument affecting title to a Unit may describe that Unit by the number shown on the Map with appropriate reference to the Map and to this Declaration, as each shall appear on the records of the County Recorder of Utah County, State of Utah, and in substantially the following form:

Unit \_\_\_\_\_ shown in the Record of Survey Map for the Weston  
Condominiums appearing in the records of the Utah County Recorder, as  
Entry No. \_\_\_\_\_, Map No. \_\_\_\_\_, and as identified and described in the

Declaration of Condominium appearing as Entry No. \_\_\_\_\_, in Book \_\_\_\_\_, at Pages \_\_\_\_\_ of the official records of the Utah County Recorder together with an undivided interest in and to the Common Areas appertaining to said Unit as established in said Declaration, as amended, and Map. This conveyance is subject to the provisions of the aforesaid Declaration of the Weston Condominiums, including any amendments thereto. The undivided interest in the Common Areas conveyed hereby is subject to modification from time to time as provided in the Declaration for expansion of the Project.

Such description will be construed to describe the Unit, together with an undivided interest in and to the Common Areas as the same is established and identified in the Declaration and Map referred to herein above, and to incorporate all the rights incident to Ownership of a Unit and all the limitations of such Ownership as described in this Declaration.

18. Management Committee. Except as hereinafter provided, the Project shall be managed, operated and maintained by the Management Committee as agent for the Unit Owners.

19. The Weston Condominiums Association. The conveyance of each Unit and its proportionate share of the Common Areas shall be subject to the covenants, conditions, restrictions, easements, charges and liens as contained in this Declaration and any supplements or amendments hereto recorded in the Office of the County Recorder of Utah County, State of Utah, prior to the conveyance of any Unit. All Unit Owners in the Condominium Project shall automatically become members of the Weston Condominiums Association which shall elect the Management Committee to maintain and administer facilities, maintain Common Areas in the Project, and enforce the covenants and restrictions imposed in this Declaration and to collect and disburse the assessments and charges created herein. The Weston Condominiums Association has been established for the benefit of the Unit Owners of the Condominium Project.

20. Assessments. Each Owner of a Unit by the acceptance of a deed or installment contract therefor, whether or not it be so expressed in the deed or contract, shall be deemed to covenant and agree with each other Owner and with the Management Committee to pay annual assessments made by them for the purposes provided in this Declaration and in the Bylaws, and special assessments for capital improvements and other matters as provided in this Declaration and in the Bylaws. Such assessments shall be fixed, established and collected from time to time in the manner provided in the Bylaws.

21. Use of Unit.

(a) Housing Use. Each of the Units in the Project shall be utilized for residential purposes only and is intended to be used for single families. Occupancy of each Unit is restricted to one family as defined by Orem City Zoning Ordinances. Each Unit may be rented or leased by the Unit Owner for use and occupancy as herein stated. Any such lease must be in writing and be subject to the Declaration, Bylaws and rules and regulations adopted by the Management Committee.



(b) Restriction Concerning Common Areas. There shall be no obstruction of the Common Areas by the Owners, their tenants, guests or invitees without the prior written consent of the Management Committee. The Management Committee may by rules and regulations prohibit or limit the use of the Common Areas as may be reasonably necessary for protecting the interests of all the Owners or protecting the Units or the Common Areas. Nothing shall be kept or stored on any part of the Common Areas without the prior written consent of the Management Committee, except as specifically provided herein. Nothing shall be altered on, constructed in, or removed from the Common Areas, except upon consent of the Management Committee.

(c) Miscellaneous Restrictions. Nothing shall be done or kept in any Unit or in the Common Area or any part thereof which would result in the cancellation of the insurance of the Project or any part thereof or increase the rate of the insurance on the Project or any part thereof over what the Management Committee, but for such activity, would pay, without the prior written consent of the Management Committee. Nothing shall be done or kept in any Unit or in the Common Areas or any part thereof which would be a violation of any statute, rule ordinance, regulation, permit or other validly imposed requirements of any governmental body. No damage to or waste of the Common Areas or any part thereof shall be committed by any Owner or any invitee of any Owner, and each Owner shall indemnify and hold the Management Committee and the other Owners harmless against all loss resulting from any such damage or waste caused by him or his invitees; provided, however, that any invitee of the Declarant shall not under any circumstances be deemed to be an invitee of any other Owner. No noxious, destructive or offensive activity shall be carried on in any Unit or in the Common Areas or any part thereof, nor shall anything be done therein which may be or may become an annoyance or nuisance to any other Owner or to any person at any time lawfully residing in the Project.

(d) Animals. No livestock or poultry of any kind shall be raised, bred or kept in any Unit or in the Common Areas. Household pets may be kept in Units subject to strict observance of rules and regulations adopted by the Management Committee.

(e) No Violation of Rules and Regulations. No Owner shall violate the rules and regulations for the use of the Units and the Common Areas as adopted from time to time by the Management Committee.

(f) Restrictions on Alterations. No structural alterations to any Unit shall be made by any Owner without the prior written approval of the Management Committee.

(g) Declarant's Right to Sell Units. Notwithstanding anything contained herein to the contrary until the Declarant has completed and sold all of the Units, neither the Unit Owners who have purchased Units from the Declarant nor the Management Committee or either of them, shall interfere with the completion of the contemplated improvements and sale of the

remaining Units. The Declarant may make such use of the unsold Units and the Common Areas as may facilitate such completion and sale, including, but not limited to, the maintenance of a sales office, the showing of the Units and recreational facilities, and the display of signs.

22. Insurance. Declarant shall purchase (at Declarant's own expense) a general liability insurance policy in an amount not less than one million dollars (\$1,000,000.00) for each occurrence to cover any liability which owners of previously sold Units in the Project are exposed to as a consequence of further condominium Project development. The Management Committee shall secure or cause to be secured and maintained at all times the following insurance and bond coverage.

(a) A policy or policies of fire and casualty insurance with extended coverage endorsement, for the full insurable replacement value of the entire Project. The named insured under such policies shall be "Association of Owners of the Weston Condominiums for the use and benefit of the individual Owners." Such policy or policies shall be made payable to the Association and all persons holding an interest in the Project or any of the Units, as their interests may appear. Each Unit Owner and each Unit Owner's mortgagee, if any, shall be beneficiaries of the policy in the percentage of ownership in the Common Areas of such Unit Owner.

(b) Appropriate fidelity bond coverage for all officers, Committee Members and any person or entity handling funds of the Owners' Association including but not limited to employees of the professional managers. Such fidelity bond should name the Association as an obligee and be written in an amount equal to at least three months aggregate assessments on all Units plus reserve funds.

(c) A policy or policies insuring the Committee, the Manager, and the Unit Owners against any liability incident to the ownership, use or operation of the Project or of any Unit which may arise among themselves, to the public, and to any invitees or tenants of the Project or of the Unit Owners. Limits of liability under such insurance shall be in amounts generally required by private institutional mortgage investors for projects similar in location, construction and use, however, such coverage shall be at least \$1,000,000 for all persons injured in any one accident, and \$1,000,000 for property damage resulting from one occurrence. Such policies shall be issued on a comprehensive basis and shall provide a cross liability endorsement pursuant to which the rights of the named insureds as between themselves are not prejudiced.

(d) The following additional provisions shall apply with respect to insurance:

(1) In addition to the insurance described above, the Committee shall secure and at all times maintain insurance against such risks as are or hereafter may be customarily insured against in connection with Projects similar to the Project in construction, nature and use. If the Project is located

within an area which has been officially identified by the Secretary of Housing and Urban Development as having special flood hazards and for which flood insurance has been made available under the National Flood Insurance Program (NFIP), the Committee shall obtain and pay the premiums upon, as a Common expense, a "master" or "blanket" policy on the buildings and any other property covered by the required form of policy (hereinafter "insurable property") in an amount deemed appropriate by the Committee but not less than the following: the lesser of (i) the maximum coverage available under the NFIP for all buildings and other insurable property within the Project to the extent that such buildings and other insurable property are within an area having special flood hazards or (ii) one hundred percent (100%) of current "replacement cost" of all such buildings and other insurable property within such area.

(2) The Committee shall have the authority to adjust losses.

(3) Insurance secured and maintained by the Committee shall not be brought into contribution with insurance held by the individual Unit Owners or their mortgagees.

(4) Each policy of insurance obtained by the Committee shall, if possible, provide a waiver of the insurer's subrogation rights with respect to the Committee, the Manager, the Unit Owners, and their respective servants, agents and guests; that it cannot be canceled, suspended, or invalidated due to the conduct of any member, officer or employee of the Committee or of the manager without prior written notice that the defect be cured; and that any "no other insurance" clause therein shall not apply with respect to insurance held individually by the Unit Owners.

(5) Any Unit Owner may obtain additional insurance at his own expense, so long as such additional insurance does not have the effect of decreasing the amount which may be realized under any policy maintained by the Committee. Any Unit Owner who individually obtains insurance covering any portion of the Project shall supply the Committee with a copy of his policy within thirty (30) days after he acquires such insurance. Any insurance on an Owner's personal property shall be the sole responsibility of each Unit Owner and shall not be included in assessments made by the Association to the Unit Owners.

(6) Notwithstanding anything herein contained to the contrary, insurance coverage must be in such amounts and meet other requirements of the Federal National Mortgage Association and the Department of Veteran's Affairs.

23. Damage to Project. In the event of the damage to or destruction of part or all the improvements the following procedures shall apply:

(a) If proceeds of the insurance maintained by the Management Committee are

alone sufficient to repair or reconstruct the damaged or destroyed improvement, such repair or reconstruction shall be carried out.

(b) If less than 75 percent of the Project's improvements are destroyed or substantially damaged, if proceeds of the insurance maintained by the Committee are not alone sufficient to accomplish repair or reconstruction, restoration shall be carried out upon approval of at least 51 percent of the affected Unit Owners. All affected Owners shall be assessed for any deficiency on the basis of their respective percentages of undivided interest in the Common Areas.

(c) If 75 percent or more of the Project's improvements are destroyed or substantially damaged, if proceeds of insurance maintained by the Management Committee are not alone sufficient to accomplish restoration, and if the Unit Owners within 100 days after the destruction or damage by a vote of at least 75 percent elect to repair or reconstruct the affected improvements, restoration shall be accomplished in the manner directed under subparagraph (b) above.

(d) Notwithstanding any provision herein to the contrary, if 75 percent or more of the Project's improvements are destroyed or substantially damaged, if proceeds of the insurance maintained by the Committee are insufficient to accomplish restoration, and if the Unit Owners do not, within 100 days after the destruction or damage and by a vote of at least 75 percent, elect to repair or reconstruct the affected improvements, the Management Committee shall promptly notify the Department of Veterans Affairs and obtain approval thereof, and the Management Committee shall promptly record with the Utah County Recorder a notice setting forth such facts. Upon the recording of such notice, the provisions of Subsections (1) through (4) of Section 57-8-31, Utah Code Annotated (1953), shall apply and govern the rights of all parties having an interest in the Project or any of the Units.

(e) Any reconstruction or repair which is required to be carried out by this Paragraph 23 shall be accomplished at the instance and direction of the Management Committee. Any determination which is required to be made by this Paragraph 23 regarding the extent of the damage to or destruction of Project improvements shall be made by three (3) MAI appraisers selected by the Management Committee. The decision of any two (2) such appraisers shall be conclusive.

(f) Each Unit Owner appoints the Management Committee as his attorney-in-fact to represent the Unit Owner in any proceedings related to the allocation of any losses, awards or proceeds from the condemnation, destruction, or liquidation of all or part of the Project, and in any related proceedings, negotiations, settlements or agreements.

24. Amendments. Except as otherwise provided herein, and subject to the provisions of paragraph (o) of section 27 below, the vote of Unit Owners representing at least two-thirds (2/3) of the undivided ownership interest in the Common Areas shall be required to amend this Declaration or the Record of Survey Map, except in circumstances where the Act requires a greater affirmative vote or approval and consent, in which event the provisions of

the Act shall be controlling. Any amendment so authorized shall be accomplished through the recordation of an instrument executed by the Management Committee. In such instrument, the Committee shall certify that the vote required by this paragraph for amendment has occurred.

Until Units representing 75 percent of the Units in the Project (including all Units which have been or may be annexed into the Project as provided in Section 35 below) have been conveyed to purchasers, or the expiration of five (5) years after the first conveyance of title to any Unit purchased, whichever occurs first, Declarant shall have and is hereby vested with the right to amend this Declaration or the Record of Survey Map (including the right to Amend the Declaration to change the name of the Project to "Shadowridge Condominiums", which name has been approved and reserved by the Department of Veterans Affairs); provided, however, that Declarant's right to amend the Declaration for purposes of expansion shall continue for a period of seven (7) years from the recordation hereof as provided in Section 35 below. Such right to amend the Declaration shall obtain without regard to the subject matter of amendment, so long as the amendment involved is consistent with law. While the Declarant is in control of the Association, amendments to the Declaration, Bylaws or other enabling documentation must be approved by the Department of Veterans Affairs if the Department of Veterans Affairs has previously approved such documents.

If the Department of Veterans Affairs, HUD or FNMA holds, insures or guarantees a mortgage or mortgages secured by a Unit or Units in the Project, no additional land may be added to the Project without the prior written consent of such agency or corporation.

After the Department of Veterans Affairs has approved the Declaration and Bylaws, the condominium regime documentation may not be amended or merged with a successor condominium regime without the prior written approval of the Department of Veterans Affairs.

Notwithstanding any provision herein to the contrary, except as provided herein for the expansion of the Project, the undivided interest of each Unit Owner in the Common Areas and Facilities shall not be altered without the consent of all Unit Owners.

25. Consent Equivalent to Vote. In those cases in which the Act or this Declaration requires the vote of a stated percentage of the Project's undivided ownership interest for the authorization or approval of a transaction, such requirement may be fully satisfied by obtaining, with or without a meeting, consents in writing to such transaction from Unit Owners who collectively hold at least the necessary percentage of undivided ownership interest.

26. Service of Process. Service of process shall be received by Donald E. Mullen, 1123 North 1750 West, Provo, Utah 84604. He shall serve as agent for service of process in cases authorized by the Act. The Management Committee shall, however, have the right to appoint a successor or substitute process agent. Such successor or substitute agent and his address shall be specified by an appropriate instrument filed in the Office of the County Recorder of Utah County, State of Utah.

27. Mortgagee Protection. Notwithstanding anything to the contrary in the

## Declaration:

(a) An adequate reserve fund for the maintenance, repair and replacement of the Common Areas must be established and shall be funded by the regular annual assessments and shall be paid with the regular monthly installments rather than by special assessments. There shall be established a working capital fund for the initial months of the operation of the Project equal to a minimum amount of two months estimated condominium charges for each Unit.

(b) Any mortgage holder which comes into possession of the Unit pursuant to the remedies provided in the mortgage or foreclosure of the mortgage, or by deed or assignment in lieu of foreclosure shall be exempt from any provisions relating to sale or lease of the Units in the Project.

(c) Any management agreement for the Project or any other contract providing for the services of the developer, sponsor, or builder, shall be terminable for cause by the Association on 30 days written notice prior to such termination. The term of any such agreement shall not exceed one year, renewable by agreement of the parties for successive one year periods. Any such agreement may be terminated by either party without cause and without payment of a termination fee on 30 days written notice prior to such termination.

(d) In the event of the condemnation of or substantial damage to or destruction of any Unit or any part of the Common Areas, the institutional holder of any first mortgage on a Unit shall be entitled to timely written notice of any such condemnation, damage or destruction. No Unit Owner or other party shall be entitled to priority over such first mortgagee with respect to the distribution to such Unit Owner of any insurance proceeds or condemnation awards.

(e) If any Unit or portion thereof or the Common Areas or any portion thereof is made the subject matter of any condemnation by a condemning authority, the institutional holder of any first mortgage on a Unit shall be entitled to timely written notice of any such proceeding or proposed acquisition and no Unit Owners or other party shall have priority over such institutional holder with respect to the distribution to such Unit of the proceeds of any award or settlement.

(f) There shall be no prohibition or restriction on a Unit Owner's right to lease his or her Unit, except a requirement that leases have a minimum initial term of up to one year. Any lease agreement shall provide that the terms of the lease shall be subject in all respects to the provisions of the Declaration and Bylaws and Orem City Zoning Ordinance and that any failure by the lessee to comply with the terms of such documents shall be a default under the lease. All leases shall be in writing.

(g) Each holder of the first mortgage lien on a Unit who comes into possession of a Unit by virtue of foreclosure of the mortgage, or by deed or assignment in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the Unit free of any unpaid claims or assessments and charges against the Unit which accrue prior to the time such holder comes into possession of the Unit.

(h) Any holder of the mortgage is entitled to written notification from the Management Committee of any default by the mortgagor of such Unit in the performance of such mortgagor's obligation under the Declaration which is not cured within sixty (60) days.

(i) Any lien which the Management Committee may have on any Unit in the Project for the payment of Common Expense assessments attributable to such Unit will be subordinate to the lien or equivalent security interest of any first mortgage on a Unit recorded prior to the date any such Common Expense assessments become due.

(j) In case of condemnation or substantial loss to the Units and/or Common Areas of the Project, unless at least two-thirds of the first mortgagees (based on one vote for each first mortgage owned), and Owners (other than the sponsor, developer, or builder) of the individual Condominium Units have given their prior written approval, neither the Management Committee nor the Association of Unit Owners shall:

(1) By act or omission, seek to abandon or terminate the Project, except for abandonment or termination provided by law in the case of substantial destruction by fire or other casualty or in the case of taking by condemnation or eminent domain.

(2) Change the pro-rata interest on obligations of any Unit for (a) purposes of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards; and for (b) determining the pro-rata share of ownership of each Unit in the appurtenant Common Areas; provided, however, that nothing herein shall impair, restrict, or prevent the exercise of Declarant's right to expand the Project in accordance with Section 35 of Article III hereof.

(3) Partition or subdivide any Unit.

(4) Except as provided for expansion of the Project, make any material amendment to the Declaration or to the Bylaws of the Association, including but not limited to any amendment which would change the percentage interest of the Unit Owners in the Common Areas.

(5) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Areas. (The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Areas of the Project shall not be deemed a transfer within the meaning of this subparagraph.)

(6) Use hazard insurance proceeds for losses to any Project property (whether to Units or to the Common Areas) for other than the repair, replacement or reconstruction of such improvements, except as provided by statute in cases of substantial loss to the Units and/or the Common Areas of

the Project.

(7) Terminate professional management and assume self-management of the Project.

(k) Notwithstanding all other provisions hereto:

(1) The liens created hereunder upon any Unit shall be subject and subordinate to and shall not affect the rights of the holder of the indebtedness secured by any recorded first mortgage (meaning a mortgage or trust deed with first priority over other such mortgages) upon such interest made in good faith and for value provided that after the foreclosure or trust deed termination of any such document, there may be a lien created against the interest of the purchaser at such foreclosure sale to secure all assessments, whether regular or special, assessed hereunder to such purchaser as an Owner after the date of such foreclosure sale, which said lien, if any claimed, shall have the same effect and be enforced in the same manner as provided herein.

(2) No amendment to this paragraph (k) shall affect the rights of the holder of any such mortgage recorded prior to the recordation of such amendment that has not joined in the execution thereof.

(3) By subordination agreement executed by a majority of the Management Committee, the benefits of subparagraphs (1) and (2) above may be extended to mortgages not otherwise entitled thereto.

(l) A holder, insurer or guarantor of a first mortgage, upon written request to the Association of Unit Owners (such request to state the name and address of such holder, insurer or guarantor and the Unit number), will be entitled to timely written notice of:

(1) Any proposed amendment of the condominium instruments effecting a change of a material nature as described in subparagraph (o) below;

(2) Any proposed termination of the condominium regime;

(3) Any condemnation loss or any casualty loss which affects a material portion of the condominium or which affects any Unit on which there is a first mortgage held, insured or guaranteed by such eligible holder;

(4) Any delinquency in the payment of assessments or charges owed by an Owner of a Unit subject to the mortgage of such eligible holder, insurer or guarantor, where such delinquency has continued for a period of 60 days;

(5) Any lapse, cancellation or material modification of any insurance policy maintained by the Association of Unit Owners insuring against fire and other hazards.



(m) The following protections for the benefit of first mortgage holders shall also apply:

(1) Any restoration or repair of the condominium after a partial condemnation or damage due to an insurable hazard shall be substantially in accordance with the Declaration and the original plans and specifications unless the approval of the eligible holders of first mortgages on Units to which at least 51% of the votes of the Units subject to mortgages held by such eligible holders are allocated, is obtained.

(2) Any election to terminate the condominium regime after substantial destruction or a substantial taking in condemnation of the condominium property must require the approval of eligible holders of first mortgages on Units to which at least 51% of the votes of Units subject to mortgages held by such eligible holders are allocated.

(3) Except as otherwise provided herein, no reallocation of interest in the Common elements resulting from a partial condemnation or partial destruction of the Condominium Project may be effected without the approval of the eligible holders of first mortgages on Units to which at least 51% of the votes of Units subject to mortgages held by such eligible holders are allocated.

(n) As used in this section, the term "eligible holder, insurer, or guarantor" shall mean a holder, insurer or guarantor of the first mortgage on a Unit which has requested notice in accordance with the provisions of this section.

(o) Except as provided for expansion of the Project in section 24 above, amendments to the Declaration or Bylaws of a material nature must be agreed to by Unit Owners who represent at least 67% of the total allocated votes in the Association and by eligible mortgage holders who represent at least 51% of the votes of the Unit estates that are subject to mortgages held by eligible holders. A change to any of the provisions governing the following would be considered as material: voting rights; increases in assessments that raise the previously assessed amount by more than 25%; assessment liens or the priority of assessment liens; reductions and reserves for maintenance, repair, and replacement of common elements; responsibility for maintenance and repairs; reallocation of interest in the general or Limited Common elements, or rights to their use; redefinition of any Unit boundaries or the exclusive easement rights appertaining thereto; convertibility of Units into Common elements or vice versa; expansion or contraction of the Project, or the addition, annexation or withdrawal of property to or from the Project, except as set forth in sections 24 and 35 of this Article; hazard or fidelity insurance requirements; imposition of any restrictions on the leasing of any Units; imposition of any restrictions on a Unit Owner's right to sell or transfer

his or her Unit; a decision by the Association to establish self-management if professional management has been required previously; restoration or repair of the Project (after damage or partial condemnation) in a manner other than that specified in the Declaration; or any provisions that expressly benefit mortgage holders, insurers or guarantors. An eligible mortgage holder, except for the Department of Veteran's Affairs, HUD or FNMA, shall be deemed to have approved an amendment to the Declaration or Bylaws if such eligible mortgage holder fails to submit a response to any written proposal for an amendment within 30 days after it receives proper notice of the proposal, provided the notice was delivered by certified or registered mail with a return receipt requested.

(p) Any action to terminate the legal status of the Project after substantial destruction or condemnation must be agreed to by Unit Owners who represent at least 67% of the total allocated votes in the Association, by eligible mortgage holders who represent at least 51% of the votes of the Unit estates that are subject to mortgages held by eligible holders and by the Department of Veterans Affairs. If the Project is terminated for reasons other than substantial destruction or condemnation of the property, such termination must be agreed to by Unit Owners who represent at least 67% of the total allocated votes in the Association, eligible mortgage holders that represent at least 67% of the votes of the mortgaged Units and by the Department of Veterans Affairs.

28. Duty of Owner to Pay Taxes on Unit Owned. It is understood that under the Act each Unit (and its percentage of interest in the Common Areas) in the Project is subject to separate assessment and types of taxes and assessments authorized by law, and that as a result thereof no taxes will be assessed or levied against the Project as such. Accordingly, each Unit Owner will pay and discharge any and all taxes and assessments which may be assessed against him on his Unit.

29. Enforcement. Each Unit Owner shall comply strictly with the provisions of this Declaration, the Bylaws and with the administrative rules and regulations drafted pursuant thereto as the same may be lawfully amended from time to time and with the decisions adopted pursuant to this Declaration, the Bylaws and the administrative rules and regulations, and failure to comply shall be grounds for an action to recover sums due for damages or injunctive relief or both, maintainable by the Management Committee or Manager on behalf of the Unit Owners, or in a proper case, by an aggrieved Unit Owner.

30. Covenants Run with the Land; No Waiver.

(a) This Declaration and all the provisions hereof shall constitute covenants which run with the land and/or equitable servitudes, as the case may be, and shall be binding upon and inure to the benefit of Declarant, all parties who hereafter acquire any interest in a Unit or in the Project, and their respective grantees, transferees, any interest in a Unit or in the Project, and their respective grantees, transferees, heirs, devisees, personal representatives,

successors and assigns. Each Owner or occupant of a Unit shall comply with, and all interest in all Units shall be subject to, the terms of the Act, the terms of this Declaration, the Bylaws, and the provisions of any rules, regulations, agreements, instruments, and determinations contemplated by this Declaration, and failure to comply shall be grounds for an action to recover sums due for damages or injunctive relief or both, maintainable by the Committee on behalf of the Unit Owners, or, in a proper case, by an aggrieved Unit Owner. By acquiring any interest in a Unit or in the Project, the party acquiring such interest consents and agrees to be bound by each and every provision of this Declaration.

(b) No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

31. Number and Gender. Whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural and the plural, the singular; and the use of any gender shall include all genders.

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

33. Topical Headings. The headings appearing at the beginning of the sections of this Declaration are only for convenience of reference and are not intended to describe, interpret, define or otherwise affect the content, meaning or intent of this Declaration or any section or provision hereof.

34. Amenities. All amenities (i.e. parking, recreation and service areas) are a part of the Project and are covered by a mortgage at least to the same extent as are the Common Areas and Facilities.

35. Expansion.

(a) The land which may be added to the Project (the "Additional Land") is more particularly described on Exhibit "B" attached hereto and incorporated herein by reference.

(b) Declarant hereby reserves the right, at its sole and exclusive option, but without any obligation whatsoever to do so, to expand the Project from time to time by adding to the Project all or any portion of the Additional Land, together with all improvements heretofore or hereafter constructed thereon, and by creating new Units, Common Areas and Facilities and/or Limited Common Areas within those portions of the Additional Land added to the Project, so long as Declarant does so in accordance with the provisions of this section and the Act, but subject to the following limitations:

(1) If not exercised, Declarant's right to expand the Project shall expire without further act of Declarant on the date which is seven (7) years after the date this Declaration is recorded in the Office of the Utah County Recorder;

(2) The maximum number of Units that may be created on the additional land is 156 (resulting in a maximum number of 168 Units in the fully-expanded Project), and the maximum number of Units per acre that may be created on any portion of the Additional Land added to the Project is twenty (20). Accordingly, if no expansion whatsoever occurs, each Unit will have an undivided one-twelfth (1/12) ownership interest in the Common Areas and Facilities, which is the maximum possible Ownership interest; and if the Project is expanded to include the maximum number of Units that may be created within the additional land, each Unit will have the minimum possible undivided ownership interest in the Common Areas and Facilities of one-one hundred sixty-eighth (1/168) interest;

(3) All Units that may be created on the Additional Land shall be used exclusively for residential purposes;

(4) All structures erected on any portion of the Additional Land shall be compatible with the structures on the land originally within the Project in terms of quality of construction.

(c) Declarant shall not be required to obtain the consent of any Unit Owner or any other person or entity having any right or interest in all or a portion of the Project prior to or subsequent to expanding the Project by adding all or any portion of the Additional Land to the Project except as otherwise provided herein.

(d) Declarant may add all or any portion of the Additional Land to the Project without any limitation whatsoever as to the size of the portion or portions of the Additional Land added to the Project.

(e) Declarant may add portions of the Additional Land to the Project at different times and from time to time as Declarant determines.

(f) Although no assurances are given with regard to the following matters, it is contemplated that:

(1) The structures erected on any portion of the Additional Land will be compatible with structures on the land originally within the Project in terms of principal materials used and architectural style.

(2) The Units created on any portion of the Additional Land added to the Project will be substantially identical to the Units on the

land originally within the Project, except as to the size of the Units, number of bedrooms, etc; and

(3) Declarant reserves the right to create Limited Common Areas and Facilities within any portion of the Additional Land added to the Project similar in terms of the types, sizes and number of the Limited Common Areas within the original portion of the Project.

(g) In order to expand the Project as provided in this section, Declarant shall, within seven years after the date this Declaration is recorded in the office of the Utah County Recorder;

(1) Record a new or supplemental Record of Survey Map (the "Supplemental Map") containing the information necessary to comply with the Act; and

(2) Concurrently record with each Supplemental Map an amendment to this Declaration (the "Amendment") duly executed and acknowledged by Declarant and all of the Owners and Lessees of the Additional Land added to the Project. Each such amendment shall contain a legal description by metes and bounds of that portion of the Additional Land being added to the Project and shall reallocate undivided interests in the Common Areas and Facilities in accordance with the Act on an equal basis so that all Units in the expanded Project have an equal undivided interest in the Common Areas and Facilities.

(h) Nothing contained in this Declaration shall constitute or be deemed to create a lien, encumbrance, restriction or limitation on the Additional Land or any portion thereof until such land is actually added to the Project in accordance with this section.

(i) Subject to the provisions of subparagraph (b) above, Declarant makes no assurances whatsoever:

(1) As to the location of any improvements which Declarant may elect to make on any portion or portions of the Additional Land added to the Project;

(2) As to whether structures which may be erected on any portion of the Additional Land added to the Project will be compatible with structures on the property in terms of the principal materials used or architectural style;

(3) As to the description of any other improvements that may be made on any portion of the Additional Land added to the Project;

(4) That any Units created on any portion of the Additional Land added to the Project will be substantially

identical to the Units on the Property; or

(5) As to the types, sizes or maximum numbers of Limited Common Areas which Declarant may create within any portion of the Additional Land added to the Project.

36. Effective Date. This Declaration, any amendment or supplement hereto and any amendment or supplement to the Record of Survey Map shall take effect upon recording in the office of the County Recorder of Utah County, State of Utah.

IN WITNESS WHEREOF, the undersigned, being the Declarant, has caused this instrument to be executed on the 18 day of July, 1997.

DECLARANT:

TMM ASSOCIATES, L.C.

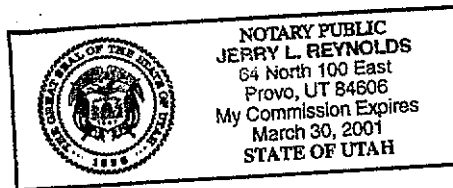
By: Donald E. Mullen  
Donald E. Mullen, member

By: David L. Mitton  
Miller Construction Services, Inc., member  
by David L. Mitton, its Vice-President

STATE OF UTAH )  
                                  )ss.  
COUNTY OF UTAH )

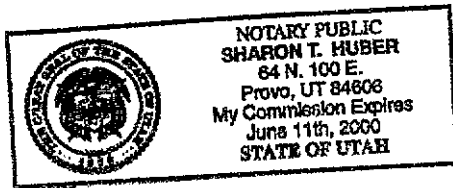
On the 18 day of July, 1997, personally appeared before me Donald E. Mullen, who being by me duly sworn, did say that he is a member of TMM Associates, L.C. and that said instrument was signed in behalf of said company by authority of its operating agreement and he acknowledged to me that said company executed the same.

Jerry L. Reynolds  
Notary Public



STATE OF UTAH )  
 )ss.  
COUNTY OF UTAH )

On the 18<sup>th</sup> day of July, 1997, personally appeared before me David L. Mitton, who being by me duly sworn, did say that he is Vice-President of Miller Construction Services, Inc., a member of TMM Associates, L.C., and that said instrument was signed in behalf of said corporation by authority of its bylaws and that said instrument was signed in behalf of TMM Associates, L.C. by authority of its operating agreement and he acknowledged to me that said company executed the same.



  
Notary Public

**EXHIBIT "A"**

**WESTON CONDOMINIUMS  
PHASE I - PROPERTY DESCRIPTION**

Beginning at a point which is North 1,895.92 feet and West 58.70 feet from the South 1/4 corner of Section 4, Township 6 South, Range 2 East, Salt Lake Base and Meridian; thence West 245.00 feet; thence North 131.04 feet; thence East 128.48 feet; thence North 00 degrees 22 minutes 15 seconds West 25.46 feet; thence North 89 degrees 37 minutes 45 seconds East 22.00 feet; thence North 00 degrees 22 minutes 15 seconds West 116.38 feet; thence South 89 degrees 55 minutes 45 seconds East 95.43 feet; thence South 272.90 feet to the point of beginning.

Containing 1.06 acres.



**EXHIBIT "B"****WESTON CONDOMINIUMS  
ADDITIONAL LAND**

Beginning at a point which is North 1,725.93 feet and West 316.70 feet from the South 1/4 corner of Section 4, Township 6 South, Range 2 East, Salt Lake Base and Meridian; thence West 430.42 feet; thence South 56 degrees 41 minutes 14 seconds West 139.67 feet; thence North 32 degrees 58 minutes 03 seconds West 515.66 feet; thence North 72 degrees 10 minutes 44 seconds East 271.78 feet; thence North 89 degrees 29 minutes 22 seconds East 549.61 feet; thence South 00 degrees 29 minutes 01 seconds West 0.75 feet; thence South 89 degrees 55 minutes 45 seconds East 182.00 feet; thence South 00 degrees 22 minutes 15 seconds East 116.38 feet; thence South 89 degrees 37 minutes 45 seconds West 22.00 feet; thence South 00 degrees 22 minutes 15 seconds East 25.46 feet; thence West 128.48 feet; thence South 131.04 feet; thence West 13.00 feet; thence South 170.00 feet to the point of beginning.

Containing 7.90 acres

**BYLAWS  
OF  
WESTON CONDOMINIUMS**

**ARTICLE I  
PLAN OF OWNERSHIP**

1. Project. The Project located on the Property legally described as:

(See Exhibit "A" to the Declaration for Property Description)

is known as Weston Condominiums and is located in the city of Orem, Utah County, State of Utah. Said Property is hereby submitted to the provisions of Utah Code Annotated Section 57-8-1 et seq. (1953).

2. Bylaws Applicability. The provisions of these Bylaws are applicable to the Project. (The term "Project" as herein used shall include the land.)

3. Personal Application. All present or future Owners, tenants, future tenants, or their employees, or any other person that might use the facilities of the Project in any manner are subject to the regulations set forth in these Bylaws.

The mere acquisition or rental of any of the Units of the Project or the mere act of occupancy of any of the Units will signify that these Bylaws are accepted, ratified, and will be complied with.

**ARTICLE II  
VOTING, QUORUM, PROXIES**

1. Voting. Voting shall be on a percentage basis and the percentage of the vote to which the Owner is entitled is the percentage assigned to the Unit or Units in the Declaration.

2. Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of Unit Owners holding sixty-seven percent (67%) of the votes in accordance with the percentage assigned in the Declaration shall constitute a quorum of Unit Owners.

3. Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting.

**ARTICLE III  
ADMINISTRATION**

1. Association Responsibilities. The Owners of the Units will constitute the Weston Condominiums Association, hereinafter referred to as the Association, who will have the responsibility of approving the annual budget and special assessments as presented by the Management Committee as set forth in the Declaration and in these Bylaws, and electing the Members of the Management Committee who will administer the Project, establish and collect monthly assessments and arrange for the operation, maintenance and management of the Project

on behalf of the Association.

2. Place of Meetings. Meetings of the Association shall be held at such suitable places convenient to the Owners as may be designated by the Management Committee.

3. Annual Meetings. The first annual meeting of the Association shall be held on 5th day of May, 1998. Thereafter, annual meetings shall be held on the first Tuesday of May of each succeeding year. At such meetings there shall be elected by ballot a Management Committee.

4. Special Meetings. It shall be the duty of the President to call a special meeting of the Owners as directed by resolution of the Management Committee or on petition signed by at least thirty-three percent (33%) of the Owners and having been presented to the Secretary, or at the request of the Federal Housing Commissioner or his duly authorized representative. No business shall be transacted at a special meeting except as stated in the notice unless by consent of 4/5 of the Owners present, either in person or by proxy.

5. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting stating the purpose thereof as well as the time and place of the meeting, to each Owner of record, at least five (5) but not more than ten (10) days prior to such meeting. The mailing of notice in the manner provided in this section shall be considered notice served.

6. Adjourned Meetings. If any meeting of Owners cannot be organized because a quorum has not attended, the Owners who are present either in person or by proxy may adjourn the meeting to a time not less than 48 hours from the time the original meeting was called.

7. Order of Business. The order of business at all Association meetings shall be as follows:

- (a) Roll call
- (b) Proof of notice of meeting or waiver of notice
- (c) Reading of minutes of preceding meeting
- (d) Reports of Officers
- (e) Report of Federal Housing Administration or Department of Veteran's Affairs, if present
- (f) Report of Committee
- (g) Election of Inspectors of Election
- (h) Election of Management Committee Members
- (i) Unfinished business
- (j) New business

8. Project Documents. The Association shall maintain and have available current copies of the Declaration, Bylaws and other rules concerning the Project as well as its own books, records and financial statements available for inspection by Unit Owners, or by holders, insurers, and guarantors of first mortgages that are secured by Units in the Project. These

documents will be available during normal business hours.

9. Availability of Audited Financial Statements. The Association shall make an audited financial statement for the preceding fiscal year available to the holder, insurer or guarantor of any first mortgage that is secured by a Unit in the Project on submission of a request for it. Such audited financial statements shall be available within 120 days of the Association's fiscal year end.

#### ARTICLE IV MANAGEMENT COMMITTEE

1. Status and General Authority of Committee. The Association's affairs shall be governed by a Management Committee. The Committee shall, in connection with its exercise of any of the powers hereinafter provided, constitute a legal entity capable of dealing in the Committee's name. The Management Committee shall have the powers and duties necessary for the administration of Association's affairs and may do all such acts and things as are not by law or by these Bylaws directed to be exercised and done by the Owners. The Management Committee shall have, and is hereby granted, the following general authority and powers:

(a) The authority with the consent of the Unit Owners or of any other person(s) to grant or create on such terms as it deems advisable, utility and similar easements over, under, across and through the Common Areas.

(b) The authority to execute and record, on behalf of all Unit Owners, any amendments to the Declaration or the Map which have been approved by the vote or consent necessary to authorize such amendment.

(c) The power to sue and be sued.

(d) The authority to enter into contracts relating to the Common Areas and other matters over which it has jurisdiction so long as any vote or consent of the Unit Owners necessitated by the subject matter of the agreement has been obtained.

(e) The power and authority to convey or transfer any interest in real property, so long as the vote or consent necessary under the circumstances has been obtained.

(f) The authority to promulgate such reasonable rules, regulations and procedures as may be necessary or desirable to aid the Committee in carrying out its function or to insure that the Project is maintained and used in a manner consistent with the interests of the Unit Owners.

(g) The power and authority to perform any other acts and to enter into any other transactions, subject to the rights of the Association, which may be reasonably necessary for the Management Committee to perform its functions as

agent for the Unit Owners. Any instrument executed by the Management Committee relating to the Common Areas of the Project that recites facts which, if true, would establish the Committee's power and authority, shall be conclusive in favor of any person who in good faith and for value relies upon said instrument.

2. Other Duties. In addition to duties imposed by these Bylaws, or by resolutions of the Association, the Management Committee shall be responsible for the following:

(a) The care, upkeep and surveillance of the Project Common Areas and Facilities. The Management Committee shall provide maintenance and repairs upon all Common Areas and Facilities including, but not limited to the following: roads, retaining walls, fences, sewer mains, water mains, snow removal and landscaping, including all trees, shrubs, grass, streams, ponds, or other watercourses, etc., as exist upon the Common Areas. The Management Committee shall provide exterior maintenance for each Building in the Project, including the following: paint, repair, replacement and care of decks, roofs, gutters, downspouts and exterior Building surfaces. Such exterior maintenance shall not include glass windows for Units.

(b) Collection of monthly assessments for the Owners.

(c) Designation and dismissal of the personnel necessary for the maintenance and operation of the Project, the Common Areas and Facilities, and the Limited Common Areas and Facilities.

3. Composition of Committee, Election, Vacancy. The Management Committee shall be composed of five (5) members, with all Committee members elected for a one-year term. Members shall serve on the Committee until their successors are elected. Only Unit Owners or spouses of Unit Owners and officers, directors, agents and employees of Owners other than individuals shall be eligible for Committee Membership.

At the annual meeting of the Association, each Unit Owner may vote his percentage of undivided ownership interest in favor of as many candidates or Committee memberships as there are seats of the Committee to be filled; provided, however, that until Units representing seventy-five (75%) of the Units in the Project (including all Units which have been or may be annexed into the Project as provided in Section 35 of Article III of the Declaration) shall have been conveyed by Declarant to the purchasers thereof, or the expiration of five (5) years after the first conveyance of title to any Unit purchased, whichever shall first occur, the Declarant alone shall have the right to select the Management Committee or act as the Management Committee itself. However, Declarant may waive that right at any time prior to the occurrence of either or both of the aforesaid events by (1) notifying Unit Owners in writing of such waiver of the right, and (2) filing for record in the Office of the Utah County Recorder a written notice of waiver of the right, whereupon Unit Owners shall promptly hold a meeting to elect a new Management Committee, it being established hereby that the control of the Unit Owners in the Management Committee shall automatically vest thirty (30) days following the date such waiver is recorded

by Declarant. In the event a Committee seat which was filled by the Declarant becomes vacant, Declarant has the right to select a replacement member to sit on the Committee for the balance for the term associated with the vacated seat. In all other cases of vacancy, the remaining Committee members shall elect a replacement to sit on the Committee until the expiration of the term for which the member being replaced was elected.

When the total number of completed Units in the Project reaches 36, two additional members shall be added to the Management Committee, making a total of seven (7) members on the Committee. The two additional members shall be appointed by the existing members of the Committee and shall hold office until the next annual meeting of the Association.

4. Removal of Committee Members. At any regular or special meeting of the Association duly called, any one or more of the Members may be removed with or without cause by a majority of the Owners, and a successor may then and there be elected to fill the vacancy thus created. Any committee Member whose removal had been proposed by the Owners shall be given an opportunity to be heard at the meeting.

5. Right of Delegation to Manager. The Management Committee may carry out any of its functions which are capable of delegation through a Manager. The Manger so engaged shall be responsible for managing the Common Areas and shall, to the extent permitted by law and the terms of the agreement with the Management Committee, be authorized to perform any of the functions or acts required or permitted to be performed by the Management Committee itself.

6. Payment of Services, Etc. The Management Committee may obtain and pay for the services of any person or entity to manage its affairs, or any part thereof, to the extent it deems advisable, as well as such other personnel as the Management Committee shall determine to be necessary or desirable for the proper operation of its function in the Project. The Management Committee may obtain and pay for the operation of the Project or the enforcement of this Declaration. It is recognized that the Committee may arrange with other persons to furnish snow removal, ground maintenance and other common services to the Project, whether such personnel are furnished or employed directly by the Management Committee.

7. Personal Property Ownership and Use. The Management Committee may acquire and hold for the use and the benefit of all the Owners tangible and intangible personal property and may dispose of the same by sale or otherwise, and the beneficial interest in any such property shall be deemed to be owned by the Owners in the same proportion as their respective interests in the Common Areas. Such interest shall not be transferable except with the transfer of a Unit. A transfer of a Unit shall transfer to the transferee ownership of the transferor's beneficial interest in such property without any reference thereto, and such beneficial interest may in no event be reserved, by the transferor of a Unit. Each Owner may use such property in accordance with the purpose for which it is intended, without hindering or encroaching upon the lawful rights of other Owners. The transfer of title to a Unit under foreclosure shall entitle the purchaser to the interest in such personal property associated with the foreclosure.

8. Rules and Regulations. The Management Committee may make reasonable rules and regulations governing the operation and use of the Common Areas and of other matters over which it has jurisdiction, which rules and regulations shall be consistent with the rights and duties established in the Declaration and the Bylaws. The Management Committee may suspend any Owner's voting rights at the meeting of Unit Owners during any period or such periods during which such Owner fails to comply with such rules and regulations, or with any other obligations of such Owners under this Declaration. The Management Committee may also take judicial action against any Owner to enforce compliance with such rules and regulations or other obligation or to obtain damages for noncompliance, all to the extent provided by law.

9. Capital Improvements. There shall be no structural alterations, capital additions to, or capital improvements of the Common Areas requiring expenditures in excess of \$10,000.00 without the prior approval of the Unit Owners holding a majority of the voting power.

10. Extended Rights. The Management Committee may exercise any other right or privilege given to it expressly by this Declaration or by law and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

11. Organizational Meeting. The first meeting of the newly elected Management Committee shall be held within ten (10) days of election of said Committee at the first annual meeting of the Association or at succeeding annual meetings of the Association at such place as shall be fixed by the Members at the meeting at which such Committee Members were elected, and no notice shall be necessary to the newly elected Members in order legally to constitute such meeting, provided a majority of the whole Committee shall be present.

12. Regular Meetings. Regular meetings of the Management Committee may be held at such time and place as shall be determined from time to time, by a majority of the Members but at least two (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Management Committee shall be given to each Member, personally or by mail, telephone or telegraph at least three (3) days prior to the day named for such meeting.

13. Special Meetings. Special meetings of the Management Committee may be called by the President on three (3) days notice to each Member, given personally, by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting. Special meetings of the Management Committee shall be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) Committee Members.

14. Waiver of Notice. Before or at any meeting of the Management Committee, any member may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Member at any meeting of the Committee shall be a waiver of notice by him of the time and place thereof. If all Committee

Members are present at any meeting of the Committee, no notice shall be required and any business may be transacted at such meeting.

15. Management Committee's Quorum. At all meetings of the Management Committee, a majority of the members shall constitute a quorum for the transaction of business and the acts of the quorum shall be the acts of the Management Committee.

16. Indemnification of Management Committee. Each member of the Management Committee shall be indemnified and held harmless by the Unit Owners against all costs, expenses and liabilities whatsoever (excluding fraudulent and/or criminal actions) including, without limitation, attorney's fees reasonably incurred by him in connection with any proceeding to which he may become involved by reason of his being or having been a member of said Committee.

#### ARTICLE V 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 and from the Management Committee. The Committee Members may appoint an Assistant Secretary and an Assistant Treasurer, and such other officers as in their judgment may be necessary. The offices of Treasurer and Secretary may be filled by the same person.

2. Election of Officers. The officers of the Association shall be elected annually by the Management Committee at the organization meeting of each new Committee and shall hold office at the pleasure of the Committee.

3. Removal of Officers. On an affirmative vote of a majority of the Members of the Management Committee, any officer may be removed, either with or without cause and his successor elected at any regular meeting of the Management Committee or at any special meeting of the Committee called for such purpose.

4. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Management Committee. He shall have all of the general powers and duties that are usually vested in the office of President of an Association, including, but not limited to, the power to appoint committees from among the Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the Association's affairs.

5. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor Vice President is able to act, the Management Committee shall appoint some other Member of the Committee to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed on him by the Management Committee.

6. Secretary. The Secretary shall keep the minutes of all meetings of the



Management Committee and the minutes of all meetings of the Association. He shall have charge of such books and paper as the Management Committee may direct; and he shall, in general, perform all duties incident to the office of Secretary.

7. Treasurer. The Treasurer shall have responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all money and other valuable effects in the name, and to the credit of, the Association, in such depositories as may from time to time be designated by the Management Committee.

#### ARTICLE VI OBLIGATION OF OWNERS

1. Assessments. All Owners are obligated to pay annual assessments imposed by the Management Committee to meet all Project Common Expenses. Such assessments shall be fixed, established and collected from time to time in the manner provided herein. Assessments shall be subject to change.

(a) Basis of Assessments. The total annual assessments against all Units shall be based upon advance estimates of cash requirements by the Management Committee to provide for the payment of all estimated expenses growing out of or connected with the maintenance and operation of the Common Areas and/or the Common Properties, which estimates may include among other things, expenses of management; taxes and special assessments levied by governmental authorities until the Units are separately assessed as provided herein; premiums for all insurance which the Management Committee is required or permitted to maintain pursuant hereto; common lighting, water and sewer expenses; repair, replacement and maintenance of the Common Areas and a reserve therefor; wages for employees of the Committee; legal and accounting fees; any deficit remaining from a previous period; and any other expenses and liabilities which may be incurred by the Committee for the benefit of the Owners or by reason of this Declaration.

(b) Apportionment of Expenses. Expenses attributable to the Common Areas and to the Project as a whole shall be apportioned among all Units in proportion to their undivided interest in the Common Areas assessable by the Management Committee provided, however, that for this purpose Declarant shall be deemed to own only the undivided interest in the Common Areas based upon Units which have been completed but not conveyed by Declarant.

(c) Method, Payment of Assessments, Etc. Annual assessments shall be made on a calendar-year basis. The Committee shall give written notice to each Owner as to the amount of the annual assessment with respect to his Unit not less than thirty (30) days nor more than sixty (60) days prior to the beginning of the next calendar year, provided, however, that the first annual assessment shall be for the balance of the calendar year

remaining after the day fixed by the Committee as the date of commencement of the assessment, which commencement date shall be no later than 60 days after the first Unit is conveyed. Each annual assessment shall be due and payable in monthly installments. Each monthly installment shall bear interest at the rate of twelve percent (12%) per annum from the date it becomes due and payable if not paid within thirty (30) days after such date. Such monthly installment becomes payable upon the date the Unit Owner purchases his Unit, whether by conveyance of title or entering into a contract of sale and purchase, and thereafter each monthly payment shall be due and payable on the first day of each and every month in advance.

(d) Special Assessments. In addition to the annual assessments authorized hereunder, the Management Committee may levy in any assessment year special assessments, subject to the provisions of Section 9 of Article IV above, payable over such period as the Management Committee may determine, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of the Common Areas of the Project or any other part thereof, or for any other expenses incurred or to be incurred as provided in the Declaration and these Bylaws. This paragraph shall not be construed as an independent source of authority for the Management Committee to incur expenses, but shall be construed to prescribe the manner of assessing for expenses authorized by other paragraphs hereof. Any amount assessed pursuant thereto shall be assessed to Owners in proportion to their respective undivided interest in the Common Areas. Declarant's interest in the Common Areas shall be determined on the same basis as set forth in Subparagraph (c) above. Notice in writing of the amount of such special assessment and the time for payment thereof shall be given promptly to the Owners, and no payment shall be due less than thirty (30) days after such notice shall have been given. A special assessment shall bear interest at the rate of twelve percent (12%) per annum from the date it becomes due and payable if not paid within thirty (30) days after such date.

(e) Working Capital Fund. The Management Committee shall establish a working capital fund to meet unforeseen expenditures or to purchase any additional equipment or services, with the Declarant providing the initial working capital fund in an amount that is at least equal to two months of estimated common charges for each Unit. The Declarant shall be reimbursed for each Unit share of the working capital fund at the time the sale of each Unit is closed. Any amounts paid into this fund shall not be considered as advance payments of regular assessments. The working capital fund will be transferred to the Association for deposit to a segregated fund when control of the Association is transferred to the Unit Owners. The Declarant may not use the working capital funds to defray any of its expenses, reserve contributions or construction costs or to make up any budget deficits while it is in control of the Association.

(f) Liens for Unpaid Assessments. All sums assessed to any Unit pursuant to this section, together with interest thereon as provided herein, shall be secured by a lien on such Unit in favor of the Management Committee. Such lien shall be superior to all other liens and encumbrances on such Unit, except only for:

- (1) governmental assessment authority; and
- (2) encumbrances on the interest of the Unit Owner recorded prior to the date notice of the lien provided for herein is recorded, which by law would be a lien prior to subsequently recorded encumbrances.

All other lienors acquiring liens on any Unit after the Declaration and these Bylaws shall have been recorded shall be deemed to consent that such liens shall be inferior to future liens for assessments, as provided herein, whether or not such consent be specifically set forth in the instrument creating such liens.

To evidence a lien for sums assessed pursuant to this section, the Management Committee may prepare a written notice of lien setting forth the amount of the assessment, the due date, the amount remaining unpaid, the name of the Owner of the Unit, and a description of the Unit. Such notice shall be signed by the Management Committee and may be recorded in the Office of the County Recorder of Utah County, State of Utah. No notice of lien shall be recorded until there is a delinquency in payment of the assessment. Such lien may be enforced by foreclosure by the Management Committee in the same manner in which mortgages or trust deeds on real property may be foreclosed in Utah. In any such foreclosure, the Owner shall be required to pay the cost and expenses of such proceeding, the cost and expenses of filing the notice of lien, and all reasonable attorney's fees. All such costs, expenses and fees shall be secured by the lien being foreclosed. The lien shall also secure, and the Owner shall also be required to pay to the Management Committee any assessments against the Unit which shall become due during the period of foreclosure. The Management Committee shall have the right and the power to bid an amount equal to its then existing lien at the foreclosure sale or other legal sale, and to acquire, hold, convey, lease, rent, encumber, use and otherwise deal with the same as the Owner thereof.

(g) Release of Lien. A release of notice of lien shall be executed by the Management Committee and recorded in the Office of the County Recorder of Utah County, State of Utah, upon payment of all sums secured by a lien which has been made the subject of a recorded notice of lien.

(h) Payment by Encumbrancer. Any encumbrancer holding a lien on

a Unit may pay, but shall not be required to pay, any amounts secured by the lien created by this section, and upon such payments such encumbrancer shall be subrogated to all rights of the Management Committee with respect to such lien, including priority.

The Management Committee shall report to any encumbrancer of a Unit any unpaid assessments remaining unpaid for longer than sixty (60) days after the same shall have become due; provided however, that such encumbrancer first shall have furnished to the Management Committee written notice of such encumbrance.

(i) Personal Obligation Assessments. The amount of any annual or special assessment against any Unit shall be the personal obligation of the Owner thereof to the Management Committee. Suit to recover a money judgment for such personal obligation shall be maintained by the Management Committee without foreclosing or waiving the lien securing the same. No Owner may avoid or diminish any personal obligation by waiver of the use and enjoyment of any of the Common Areas or by abandonment of his Unit.

(j) Information Concerning Unpaid Assessments. Upon payment of a reasonable fee not to exceed Ten Dollars (\$10.00) and upon written request of any Owner, mortgagee, prospective mortgagee or prospective purchaser of a Unit, the Management Committee shall issue a written statement setting forth the amount of the unpaid assessments, if any, with respect to such Unit; the amount of the current yearly assessment and the portion thereof which has theretofore been paid; and credit for advance payments of prepaid items, including, but not limited to, an Owner's share of prepaid insurance premiums. Such statement shall be conclusive upon such Management Committee in favor of persons who rely thereon in good faith. Unless such request for a statement of account shall be complied with within ten (10) days, all unpaid assessments which became due prior to the lien of the mortgagee which became due prior to the date of making such request shall be subordinate to the lien of the mortgagee which acquired its interest subsequent to requesting such statement.

(k) Purchaser's Obligation. Subject to the provisions of subparagraph (g), a purchaser of a Unit shall be jointly and severally liable with the seller for all unpaid assessments against the Unit up to the time of the grant or conveyance, without prejudice to the purchaser's right to recover from the seller the amount paid by the purchaser for such assessments.

(l) Collection by the Committee. It is recognized that the Committee will maintain the Common Areas of the Project, except as otherwise stated herein. It is further recognized that the Committee is authorized to levy assessments for the purposes of performing functions it is authorized to perform within the Project. With respect to the Units in the Project, the Committee shall

be authorized to collect from the Unit Owners and enforce liability for the payment of assessments levied pursuant to the Declaration and these Bylaws. Notwithstanding any provision of the Declaration or the Bylaws to the contrary, any proceeding, suit or action as may be deemed necessary to recover a money judgment respecting any assessments levied or fixed by the Management Committee shall be maintained on behalf of the Association at the instance and suit of the Management Committee.

2. Utilities. Each Unit Owner shall pay his or her own utility costs which are individually metered in the Project.

3. Maintenance and Repair.

(a) Each Unit Owner is responsible for the interior maintenance of his Unit. Each Owner at his own cost and expense shall maintain, repair, paint, repaint, tile, wax, paper or otherwise finish and decorate the interior walls and trim the interior surfaces of the walls, ceilings, floors and windows and doors forming the boundaries of his Unit and all walls, ceiling, floors, windows and doors within such boundaries. In addition to decorating and keeping the interior of his Unit in good repair and in a clean and sanitary condition, he shall be responsible for the maintenance, repair or replacement of any plumbing fixtures, water heater, heating equipment, air conditioner, lighting fixtures, refrigerator, dishwasher, disposal equipment, range or other appliances or fixtures that may be in or connected with his Unit. Every Owner must perform promptly all maintenance and repair work within his own Unit which, if omitted, would affect the Project in its entirety or in a part belonging to other Owners, being expressly responsible for the damages and liabilities that his failure to do so may engender.

(b) All the repairs of internal installations of the Unit, such as water, light, gas, power, sewage, telephones, air conditioning, sanitary installations, doors, windows, lamps and all other accessories belonging to a Unit shall be at the Owner's expense.

(c) In the event that an Owner of any Unit in the Condominium Project shall fail to maintain his Unit in a manner satisfactory to the Association, the Management Committee, after approval by a two-third (2/3) vote of the Association, shall have the right, through its agents and employees to enter the said Unit and to repair, maintain and restore the Unit. The cost of such maintenance shall be added to and become a part of the assessment to which such Unit is subject.

(d) In the event that the need for maintenance or repair of the Common Areas and Facilities is caused through the willful or negligent acts of an Owner, or the family, guests or invitees of an Owner, the cost of such maintenance or

repair shall be added to and become a part of the assessment to which such Owner's Unit is subject; provided, however, that no such fees shall be assessed until the Management Committee has given notice to such Owner of its intent to make such an assessment and gives the Owner an opportunity to be heard by the Management Committee with respect to any defenses to such assessment.

4. Changes to Individual Units. An Owner shall not make structural modification or alteration in or to the outside of his Unit or installations located therein or cause to be placed or erected on the Common Areas any out-buildings.

5. Use of the Common Areas and Facilities.

(a) The Common Areas may be scheduled with the Secretary of the Management Committee for use by guests for purposes such as family reunions, etc. All such use by guests must be scheduled with the Secretary. During times when the Common Areas are not scheduled they are available to Members of the Association on a first come first served basis.

(b) Owners and guests using the Common Areas are responsible for cleaning up any litter as a result of such use.

6. Right of Entry.

(a) An Owner shall grant the right of entry to the Management Committee or to any other person authorized by the Management Committee in case of emergency originating in or threatening his Unit, whether the Owner is present at the time or not.

(b) An Owner shall permit other Owners, or their representatives, when so required, to enter his Unit for the purpose of installing, altering, or repairing mechanical or electrical services, provided that the requests for such entry are made in advance and that such entry is at a time convenient to the Owner. In case of emergency, such rights of entry shall be made immediate.

7. Rules of Conduct.

(a) No resident of the Project shall post any advertisements or posters of any kind in or on the Project except as authorized by the Management Committee, in which event any and all such signs shall be displayed in a tasteful manner.

(b) Residents shall exercise care in making noises or using musical instruments, radios, television, and amplifiers that may disturb other residents. Keeping domestic animals shall be in accordance with municipal sanitary regulations.

(c) Hanging of garments, rugs and the like from the windows or from

any of the facades of the Project is prohibited.

(d) Dusting and shaking out of rugs and the like from the windows or from any of the facades of the Project is prohibited.

(e) Throwing of garbage or trash outside of the installations provided for such disposal in the service area is prohibited.

(f) No Owner, resident, or lessee shall install wiring for electrical or telephone installation, television and antenna, machines, air conditioning units, or the like, on the exterior of the Project or that protrude through the walls or the roof of the Project except as authorized by the Management Committee.

8. Rights of Action. The Association and any aggrieved Unit Owner shall be granted a right of action against Unit Owners who fail to comply with the provisions of the Declaration, Bylaws, or rules and regulations adopted by the Management Committee, or with decisions of the Association. Unit Owners shall have a similar right of action against the Association.

9. Declarant. Except as otherwise provided herein or in the Declaration, when there are unsold Units in the Project, the Declarant also enjoys the same rights and assumes the same duties as they relate to each individual unsold Unit.

## ARTICLE VII METHOD OF AMENDING BYLAWS

1. Amending Bylaws. These Bylaws may be amended by the Association in a duly constituted meeting for such purpose, and no amendment shall take effect unless approved by Owners representing at least two-thirds (67%) of the total undivided interests in the Common Areas in the Project as shown in the Declaration. Until Units representing seventy-five percent (75%) of the Units in the Project (including all Units which have been or may be annexed into the Project as provided in Section 35 of Article III of the Declaration) have been conveyed to purchasers, or the expiration of five years after the first conveyance of title to any Unit purchased, whichever occurs first, Declarant shall have and is hereby vested with the right to amend these Bylaws. Such right shall obtain without regard to the subject matter of the amendment, so long as the amendment is consistent with law. While the Declarant is in control of the Association, amendments to these Bylaws must be approved by the Department of Veterans Affairs if the Department of Veterans Affairs has previously approved the Bylaws. After the Department of Veterans Affairs has approved the Bylaws, amendments to these Bylaws must be approved by the Department of Veterans Affairs. Amendment of these Bylaws is also subject to the provisions of paragraph (o) of Section 27 of Article III of the Declaration.

2. Consent Equivalent to Vote. In those cases in which the Act or these Bylaws require the vote of a stated percentage of the Project's undivided Ownership interest for the authorization or approval of a transaction, such requirement may be fully satisfied by obtaining, with or without a meeting, consents in writing to such transaction from Unit Owners who

collectively hold at least the necessary percentage of undivided Ownership interest.

**ARTICLE VIII  
MORTGAGES**

Notice to the Management Committee. An Owner who mortgages his Unit shall notify the Management Committee of the name and address of his mortgagee, and the Management Committee shall maintain such information in a book entitled "Mortgagees of Units."

**ARTICLE IX  
COMPLIANCE**

These Bylaws are set forth to comply with the requirements of the Utah Code Annotated. In case there is any conflict between these Bylaws and the Utah Code Annotated, the provisions of the Utah Code Annotated will supersede and apply. Likewise, in the case of any conflict between these Bylaws and Declaration, the Declaration shall supersede and apply.

Adopted and executed by the Declarant (as the sole owner of all Units in the Project) effective as of the date the Declaration is recorded.

DECLARANT:

TMM ASSOCIATES, L.C.

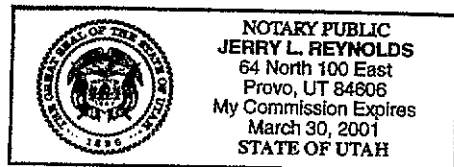
By: Donald E. Mullen  
Donald E. Mullen, member

By: David L. Mitton  
Miller Construction Services, Inc., member  
by David L. Mitton, its Vice-President

STATE OF UTAH )  
 )ss.  
COUNTY OF UTAH )

On the 18 day of July, 1997, personally appeared before me Donald E. Mullen, who being by me duly sworn, did say that he is a member of TMM Associates, L.C. and that said instrument was signed in behalf of said company by authority of its operating agreement and he acknowledged to me that said company executed the same.

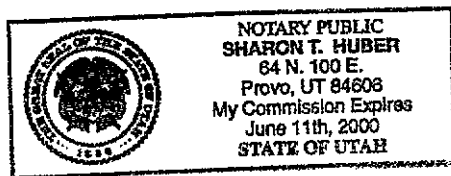
Jerry L. Reynolds  
Notary Public





STATE OF UTAH )  
 )ss.  
COUNTY OF UTAH )

On the 18<sup>th</sup> day of July, 1997, personally appeared before me David L. Mitton, who being by me duly sworn, did say that he is Vice-President of Miller Construction Services, Inc., a member of TMM Associates, L.C., and that said instrument was signed in behalf of said corporation by authority of its bylaws and that said instrument was signed in behalf of TMM Associates, L.C. by authority of its operating agreement and he acknowledged to me that said company executed the same.



*Sharon T. Huber*  
Notary Public

corp weston3.by1