

DECLARATION
AND
COVENANTS, CONDITIONS AND RESTRICTIONS OF
POWER LINE ROAD CONDOMINIUMS
(A UTAH EXPANDABLE CONDOMINIUM PROJECT)

This Declaration is made on the date hereinafter set forth by Jake Jorgenson Leasing, LLC, a Utah limited liability company located 551 W Power Line Road, Unit #1, Heber City UT 84032 (the "Declarant") and is made pursuant to the Condominium Ownership Act and other statutory provisions of the Utah Code Annotated.

RECITALS

A. The Declarant is the owner of the following described real property in Wasatch County, Utah (the "Property") which property is described in Exhibit A which is hereto and incorporated herein by this reference.

B. The Declarant is in the process of constructing upon the Property a condominium project consisting of various improvements and amenities, all of such construction is to be performed in accordance with the Record of Survey Map and/or Plat Map filed in the office of the County Recorder for Wasatch County, Utah (herein also referred to as the "Power Line Road Condominiums", or "Project", or "Community"), a copy of which is attached hereto as Exhibit B and incorporated by this reference.

C. Declarant intends to protect and enhance the value and desirability of the Community through the use of a coordinated plan of development and the terms of this Declaration. It is assumed that each purchaser Unit in the Project will be motivated to preserve the Project through community cooperation and by complying with not only the letter but also the spirit of this Declaration. This Declaration is designed to complement local governmental regulations, and where conflicts occur, the more restrictive requirements shall prevail.

D. The Declarant desires and intends to sell fee title to individual Units within the Property, together with an undivided ownership interest in the Common Areas and facilities appurtenant thereto, to various purchasers, subject to the covenants, limitations, and restrictions herein contained, and those otherwise of record.

E. To facilitate the efficient management and preservation of the value and appearance of the Community a nonprofit corporation shall be created and assigned the powers and delegated the duties of managing certain aspects of the Community; maintaining and administering the Common Area; maintaining, repairing or replacing for the common benefit of the Owners all exterior elements of a Condo such as exterior doorways, windows, rain gutters, roofing, canopies, metal siding, wood siding, address signs and all other similar exterior structural improvements of the Units; maintaining, repairing or replacing for the common benefit of Owners all landscaped areas, concrete improvements, fences, patios and driveways located on a Lot; administering, collecting and disbursing funds pursuant to the provisions regarding assessments and charges hereinafter created and referred to; and to perform such other acts as

shall generally benefit the Community and the Power Line 8 Owners Association, Inc., a Utah nonprofit corporation, has or will be incorporated under the laws of the State of Utah for the purpose of exercising the aforesaid powers and functions.

The Declarant further intends that administration of the Property be subject to this Declaration and governed by the Bylaws of Power Line 8 Owners Association, Inc., a copy of which is attached hereto as Exhibit C and incorporated by this reference.

F. The Declarant desires and intends to have the Condominium Ownership Act, Utah Code Annotated §57-8-1, et seq., govern.

DECLARATION

NOW, THEREFORE, the Declarant hereby declares, and expressly subjects the Property to all of the following:

1. DEFINITIONS.

The capitalized words, phrases or terms used herein shall have the following meaning unless the context otherwise requires:

1.1 "Articles" shall mean the Articles of Incorporation for the Association filed with the State of Utah Division of Corporations.

1.2 "Association" or "Power Line 8 Owners Association, Inc." (hereinafter the "Association") shall mean that certain non-profit Utah corporation formed or to be formed which is comprised of each and all of the Unit Owners, acting as a group in accordance with this Declaration and the Bylaws of such Association, which Unit Owners shall collectively own all Common Area property.

1.3 "Board of Directors" shall mean and refer to those persons duly elected thereto by the Unit Owners in accordance with the provisions of Article 6 hereof and the By-Laws. As used in this Declaration, the By-Laws, or Rules and Regulations, the terms "Board of Directors" or "Board" shall mean the Board acting as agent for the Association, and shall not confer any personal rights or obligations on the members thereof.

1.4 "Building" or "Buildings" shall mean those certain building(s) that have been or will be constructed on the Property, as such building(s) are shown on the Map. Buildings shall be further identified as Building 1, and Building 2.

1.5 "Bylaws" shall mean the Bylaws of the Association that is or will be formed as further defined herein, and as amended from time to time.

1.6 "Common Area" shall mean and refer to all of the following:

1.6.1 The real property which is submitted by this Declaration to the terms of the Utah Condominium Ownership Act, U.C.A. '57-8-1 et. seq., (hereinafter referred to as "the Act"), including all easements and appurtenances.

1.6.2 Those Common Area and Facilities specifically set forth and designated as such on the Map as defined below.

1.6.3 All exterior walk-ways, driveways, retaining walls, service streets, street entrances, grounds, yards, gardens, fences, all open areas, all parking areas, entry features and signs, canopies, trash areas, and other similar areas existing for common use.

1.6.4 All exterior walls, footings, foundations, roofs and structural components of floors but not including concrete pad or floor coverings within individual units. All ceilings structural components, but not including the finish in any Units.

1.6.5 All installations and facilities for central services such as power, light, gas, water and sewer and all other apparatuses and installations existing for common use, including without limitation, security lighting and common area electrical water and sewer systems, but not including any parts or components of the electrical, plumbing, sewer or HVAC systems which are within the Unit or which serve only one Unit.

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

1.6.7 All Common Area and facilities as defined in the Act whether or not expressly listed herein.

1.6.8 All other parts of the Property normally in common use or necessary or convenient to its use, existence, maintenance, safety or management.

1.7 "Common Expenses" or "Assessments," shall mean and refer to all items, things and sums which are lawfully assessed against Unit Owners via this Declaration, the Act, the By-Laws, or such Rules and Regulations pertaining to the Property as the Board of Directors may from time to time adopt. They shall include all sums that are assessed against and expended in behalf of all Unit Owners. By way of illustration, but not in limitation, Common Expenses shall include: (i) expenses related to the enforcing the covenants, conditions, restrictions, reservations and easements created hereby; and those expenses of administration, maintenance, operation, repair and replacement of those components of the Common Areas that must be maintained and/or replaced on a periodic basis, together with such reserves as may be from time to time established for the same by the Association; (ii) expenses agreed upon by the Association, or the Unit Owners, and lawfully assessed against the Unit Owners in accordance with the Declaration; (iii) expenses declared to be Common Expense by the Act, by this Declaration or the Bylaws; (iv) any valid charge against the Project as a whole; (v) taxes and insurance; and (vi) any expense necessary or desirable to enable the Association to perform or fulfill its obligations, functions, or purposes under this Declaration or the Act; (vii) reserves for any such costs, expenses or liabilities incurred in furtherance of hereof.

1.8 “Condominium Project” or “Project” shall mean the real estate condominium project created on the Property by this Declaration, consisting of the Buildings and all other improvements thereon, including all easements, rights and appurtenances belonging thereto, and all articles of personal property intended for use therewith which have become subject to this Declaration, known as the Power Line Road Condominiums.

1.9 “Condominium Unit” or “Unit” shall mean and refer to one of the separate business/industrial units, owned by a Unit Owner, intended for independent use, consisting of rooms or spaces located in a Building as designated on the Map and the Percentage Interest appurtenant thereto. Mechanical equipment and appurtenances located within any one Unit or located without said Unit but designated and designed to serve only that Unit shall 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, among other items, and as appropriate, wallpaper, paint, flooring, carpeting and tile which are wholly contained within its vertical and horizontal perimeters and the surfaces of any floors, ceilings, or coverings which bound it. A Unit shall not include pipes, wires, conduits, or other utility lines running through it that are utilized for or which serve more than one Unit, and shall not include any load-bearing walls or floors comprising a part of the Building in which the Unit is located. Each Unit shall include its appurtenant Percentage Interest in the Common Areas.

1.10 “Declarant” shall mean and refer to Jake Jorgenson Leasing, LLC and any successor and assign either by operation of law or through a voluntary conveyance transfer, or as a result of the foreclosure on an encumbrance granted by Declarant, or assignment, comes to stand in the same relation to the Project as did its predecessor.

1.11 “Declaration” shall refer to this instrument and all modifications, amendments and/or supplements made in accordance with the Act and the provisions hereof.

1.12 Not Used.

1.13 “Limited Common Area” shall mean and refer to all areas, if any, so designated on the Map, and the use of which is restricted to one Unit in particular.

1.14 “Management Committee” or “Committee” shall mean the committee charged by this Declaration with and having the responsibility and authority on behalf of the Association to make and enforce all of the reasonable rules and regulations covering the operation and maintenance of the Project. The Management Committee or Committee is also synonymous with the term Trustees or Directors as used in the Bylaws and Articles and the members of such Committee shall be the Board of Directors, unless otherwise appointed therein.

1.15 “Manager” shall mean and refer to that person, firm or company, if any designated from time to time by the Association to manage, in whole or in part, the business and affairs of the Association and the Project.

1.16 “Map” shall mean and refer to the Record of Survey Map of the Power Line Road Condominium Project filed for record by the Declarant in the records of the County Recorder of

Wasatch County, Utah. A copy of said Map is attached hereto as Exhibit B and incorporated by this reference.

1.17 "Member" shall mean a member of the Association.

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

1.19 "Mortgagee" shall mean and refer to any person named as the Mortgagee or beneficiary under any Deed of Trust under which the interest of any Unit Owner is encumbered.

1.20 "Percentage Interest" shall mean the undivided percentage interest of each Unit Owner in the Common Areas and Facilities of the Property. The Percentage Interest which is appurtenant to a Unit shall be equal to the ration between the size of such Unit and the aggregate size of all units in the Project. The Percentage Interest of Unit is set forth in Exhibit D and attached hereto and incorporated herein by this reference.

1.21 "Person" shall mean an individual, corporation, partnership, association, trustee or other legal entity.

1.22 "Property" shall mean that Property identified on Exhibit "A" attached hereto and incorporation herein, together with all easements, rights and appurtenances belonging thereto, and all articles of personal property intended for use in connection therewith.

1.23 "Record of Survey Map" and "Map" shall mean shall mean and refer to the Record Survey Map recorded in the Official Records of the County Recorder of Wasatch County, State of Utah, recorded concurrently with this Declaration, prepared by a duly registered and licensed Utah Land Surveyor, and all modifications, amendments and/or supplements thereto recorded in accordance with the Act and this Declaration.

1.24 "Rules and Regulations" shall mean reasonable rules and regulations for the Association which have been or will be promulgated by the Board of Directors or the Management Committee outlined below.

1.25 "Size" shall mean the area of floor space within a Unit, in square feet, rounded to a whole number, as set forth in this Declaration or in any amendment or supplement hereto, shall be conclusive and not subject to challenge.

1.26 "Unit Owner" or "Owner" shall mean and refer to any person or entity, including the Declarant, at any time owning a Unit including an undefined interest in the Common Area as defined herein. "Unit Owner" or "Owner" shall not refer to a Mortgagee as herein defined, unless such Mortgagee has acquired title pursuant to foreclosure, or any proceeding in lieu of foreclosure.

1.27 "Unit Number" shall mean the number, letter or combination thereof which designates a Unit.

2. SUBMISSION TO CONDOMINIUM OWNERSHIP.

The Declarant hereby submits the Property as further defined in Exhibit "A," including the Common Area of the Property, together with all appurtenances thereto to the provisions of the Condominium Ownership Act, Utah Code Annotated §57-8-1, et. seq., as a condominium project to be known as the "Power Line Road Condominiums."

Declarant hereby declares that the Property and every part thereof is and shall be held, conveyed, devised, leased, granted, encumbered, used, occupied, and otherwise affected in any manner, subject to the provisions of this Declaration. Each and all of the provisions hereof are hereby declared to be in furtherance of the general plan and scheme of ownership, and are further declared to be for the benefit of the Property and every part thereof, and for the benefit of each Unit Owner. All provisions hereof shall be deemed to run with the land as covenants running with the land, or as an equitable servitude, as the case may be, and shall bind all persons hereafter acquiring or owning any interest in the Property, however such interest may be obtained.

All present and future Owners, tenants, visitors, Mortgagees, and occupants of Units shall be subject to, and shall comply with the provisions of this Declaration.

Acceptance of a deed of conveyance, or the entering into a lease, or the entering into occupancy of any Unit or accepting a mortgage on one of the Units, shall constitute an agreement that the provisions of the Declaration, and amendments thereto, are accepted and ratified by such Owner, tenant, Mortgagee, or occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance, mortgage, or lease thereof.

RESERVING UNTO DECLARANT, however, such easements and rights of ingress and egress over, across, through and under the Property and any improvements now or hereafter constructed thereon as may be reasonably necessary for Declarant or for any successor or assignee 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 units in any Building and all of the other improvements described in this Declaration or in the Map recorded concurrently herewith or hereafter, and to do all things reasonably necessary or proper in connection therewith; (ii) to improve portions of the real property 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 appropriate; (iii) to construct and complete each of the Units, Buildings and other improvements to be constructed upon any Additional Land or portion thereof intended to be included within the Project; and (iv) to, without approval of the Owners, either enter into joint-use agreements for common areas and facilities with or merge and consolidate the Association and Board of Directors with the condominium associations of adjoining parcels consisting of similar condominium developments.

3. IMPROVEMENTS ON LAND.

3.1 The Property. The Project is zoned I-2 (Light Industrial) for office, work shop, equipment storage, business space and other space as defined by the Heber City, Utah Zoning Rules.

3.2 Project Improvements. All details involving the description and location of the Buildings, number of Units and other like details are shown on the Map. A brief description of the major improvements contained in the Project include two buildings without basements. The Project also contains other improvements such as outdoor lighting, walkways, and landscaping areas. Each building is composed of the following building materials: Exterior walls consisting of metal panels and wood siding, rigid board and membrane roofing materials; interior walls of stick lumber and metal studs with unfinished walls according to applicable building codes.

3.3 Unit Improvements Provided. Each individual Unit within the building will be built as a shell with sewer, and water rough plumbing provided to the unit. One (1) 100 amp panel is provided. One Unit heater. Fire sprinklers overhead in exposed ceilings. Rollup overhead door. Allowance for single bathroom per individual unit consisting of a toilet, sink, and faucet only. Dividing walls between Units may consist of stick lumber or metal studs. Walls are unfinished. Floors are unfinished concrete with no sealing or epoxy.

3.4 Unit Improvements Not Provided. The following list includes some improvements not included. It is not meant to be a complete list or excluded other improvements not listed. Improvements not provided include grease traps required by the city for certain businesses, additional fire sprinklers beyond shell required sprinklers, air conditioning, interior walls, wall texture, finish electrical, or finish plumbing beyond the single bathroom, mop sinks, drinking fountains,

3.5 Owner Improvements. Owner is responsible for any and all interior improvements of Units as per section 4.1.3.

3.6 Common Area. The Common Area consists of those areas defined in Section 1.6 above as denoted on the Map.

4. NATURE AND INCIDENTS OF OWNERSHIP.

4.1 Ownership. Each Unit consists of a fee simple interest in a Unit within a Building, and a Percentage Interest in the Common Area owned by the Association. Exhibit D, attached hereto and incorporated by this reference, sets forth the representative Percentage Interest in the Common Area appurtenant to each Unit. Such Percentage Interest in the Common Area is hereby declared to be appurtenant to the respective Units and every transfer, sale, gift, devise, bequest, encumbrance or conveyance of a Unit shall be presumed to be of the entire Unit, together with any and all of the appurtenant rights created by law or by this Declaration.

4.1.1 Computation of Percentage Interests. The Percentage Interest which is appurtenant to a Unit shall be roughly equal to the ratio between the Size of such Unit and the

aggregate Size of all Units in the Project. Declarant reserves the right to make some adjustments in some or all of the Percentage Interest. The exact Interest shall be assigned to each unit and declared in Exhibit B (Undivided Interest of Common Area). Total Percentage Interests shall all equal One Hundred percent (100%). Percentage Interests shall be for all purposes, including but not limited to, voting and participation in Common Expenses. For Combined Units, the size of the Units so combined shall establish the Size and the Percent Interest.

4.1.2 Right to Combine Units. With the prior written consent of the Board, two (2) Units may be utilized by the Owner or Owners thereof as if they were one (1) Unit. To the extent permitted in the written consent of the Board, any walls, floors or other structural separations between any two such Units, or any space which would be occupied by such structural separations but for the utilization of the two Units as one Unit, may, for as long as the two are utilized as one Unit, be utilized by the Owner or Owners of the adjoining Units as Limited Common Areas, except to the extent that any such structural separations are necessary or contain facilities necessary for the support, use or enjoyment of other parts of the Project. At any time, upon the request of the Owner of one of such adjoining Units, any opening between the two Units which, but for the joint utilization of the two Units, would have been occupied by such structural separations, shall be closed, at the equal expense of the Owner or Owners of each of the two Units and the structural separations between the two Units shall thereupon revert to Common Areas.

4.1.3 Rights to Interiors. A respective Unit Owner shall have an exclusive right to partition, frame, add a mezzanine, and to make other interior alternations within the boundaries of the owners Unit as long as they alternations do not affect the structural integrity of exterior or common walls, or penetrate into an outside or common wall or exterior ceiling, and which are in accordance with the city codes and permits, and which have been reviewed and approved by the Power Line 8 Owners Association, Inc.. Interior alterations such as paint, repaint, tile, wax, paper, decorate or otherwise maintaining the interior surfaces of the walls, ceilings, floors, and doors (including trim) within the walls, ceilings, floors and doors within such boundaries do not need association approval. All alterations, permit costs, engineering costs will be at the sole cost and expense of the Unit owner.

4.2 Unit Subdivision Not Allowed. Except as provided herein, no Unit Owner shall subdivide or in any manner cause his Unit to be separated into physical tracts or parcels smaller than the whole Unit as shown on the Map, whether by deed, plat or otherwise.

4.3 Modification Rights. No Owner shall have the right to modify any of the Common Area which includes but is not limited to the exterior and structural components of a Unit.

4.4 Inseparability. No part of a Unit or the legal rights comprising the ownership of a Unit may be separated from any other part thereof during the period of ownership prescribed herein, so that each Unit and the Percentage Interest appurtenant to such Unit shall always be transferred and conveyed together. See also Section 4.6 below.

4.5 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.

4.6 Partition Rights. No part of the Common Area associated with a Unit, or of the legal rights comprising ownership in Common Area, may be separated from any other part of a Unit. Each Unit, and the accompanying Percentage Interest in the Common Area, shall always be conveyed, devised, encumbered, and otherwise affected only together and may never be separated from one another. No Unit Owner or any other Person may bring an action for partition thereof, except as provided under the terms of the Act.

4.7 Access to Units. Each Unit Owner shall have the right to ingress and egress over, upon and across the Common Areas necessary for access to his or her Unit, and to Limited Common Areas, if any, and such rights shall be appurtenant and pass with the title to each Unit.

4.8 Easement for Light and Air. Each Unit Owner shall be entitled to, and Declarant hereby grants to each Unit Owner an easement for the light and air allowed by the design of the project as set forth on the Map. No other structures or improvements which may be made subsequently to the project shall interfere with the Unit Owner's easement as granted herein.

4.8 Common Area. Common Area shall be owned in common by the Association, and no Unit Owner may bring any action for partition thereof.

4.9 Use of Common Area. Subject to the limitations contained in this Declaration, any Unit Owner, tenants of a Unit Owner or their guests, licensees and invitees shall have the non-exclusive right to use and enjoy the Common Area.

Common area known as Common Area Parcel A to be used only by Declarant while maintaining occupancy of unit 1.

4.10 Added Common Areas. If or when additional common areas are added, all current owners and future owners will enjoy the full use of and rights to (subject to the rules and regulations of the Association) all of the current and future common areas. All current owner's and future owner's financial responsibility for the current and addition of common area will be determined by the current or amended Undivided Ownership Interests for all the maintenance, repairs, assessments, fees, and other expenses of the common areas. See also 4.1.1.

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

Encroachments referred to herein include, but are not limited to, encroachments caused by error in the original construction of the building on the Property, by error in the Map, by

settling, rising, or shifting of the earth, or by changes in position caused by repair or reconstruction of the Property or any part thereof.

4.11 Agency of Board of Directors. Each Owner hereby appoints the Board of Directors as their agent, to have access to all Common Area from time to time during such reasonable hours as may be necessary for the maintenance, repair or replacement of any of the Common Area, including making emergency repairs therein necessary to prevent damage to the Common Area or any other Unit. The Board of Directors shall also have such right independent of any agency relationship. Damage to the interior of any part of a Unit resulting from the maintenance, repair, emergency repair, or replacement of any of the Common Area or as a result of emergency repairs at the insistence of the Board of Directors or of Owners shall be an expense of the Association; provided however, that if such damage is the result of negligence of the individual Unit Owner, then such Unit Owner shall be financially responsible for all of such damage. Such damage shall be repaired, and the Property shall be restored substantially to the same condition as existed prior to the damage. Amounts owing by Owners pursuant hereto shall be collected by the Board of Directors by assessment as provided herein.

4.12 Owner Access. Each Owner shall have a right of ingress and egress over, upon and across the Common Area necessary for access to his/her Unit. Each Owner shall have a right to the horizontal and lateral support of a Unit, and such rights shall be pertinent to and pass with the title to each Unit.

4.13 Board Access. The Board of Directors shall have a non-exclusive easement to make such use of the Common Area as may be necessary or appropriate to perform the duties and functions which it is obligated or permitted to perform pursuant to this Declaration, including the right to construct and maintain in the Common Area, maintenance and storage facilities for use by the Association.

4.14 Utility Easements. Easements are reserved throughout the Property as may be required for utility services.

4.15 Association's Right in Common Areas. In addition to the other rights and obligations set forth herein, the Association shall have the non-exclusive easement to make such use of the Common Areas as may be necessary or appropriate to perform the duties and functions for which it is obligated or permitted under the terms of this Declaration. Additionally, subject to and apart from the Declarant's exclusive rights reserved in Article 2, the Association, with approval of 66% of each class of member, shall have the right to (i) enter into agreements which provide for the use of the Common Areas and Facilities by a similar Association in consideration for use of the Common Areas and Facilities of the other Association, or for case consideration and/or (ii) merge with other non-profit corporations providing similar services with a similar purpose.

4.16 Easements Reserved by Declarant and Association. The Association shall have power to grant and convey to any third party and the Declarant hereby reserves unto itself easements and rights of way, including but not limited to rights of ingress and egress, in on over and/or under the Common Areas and Facilities for the purpose of constructing, erecting,

operating or maintaining lines, cables, wires, conduits or other devices for electricity, television, power satellite, internet and other purposes, public sewers, storm drains and pipe, water systems, sprinkling systems, water, heating and gas lines or pipes, and any similar public or quasi-public improvements of facilities to provide common utility services to the Project, the Additional Land or upon lands owned by Declarant, its successors or assigns, appurtenant to the Project. Further, Declarant reserves unto itself a transferable easement over and upon the Common Areas and Common Facilities, access roads or other similar property within the Project for the purpose of constructing, developing, maintaining improving or expanding the Project or other properties owned by Declarant, its successors or assigns, which are adjacent to the Project. Such easement shall entitle Declarant to use all access roads within the Project and to tie into any and all utility lines, sewage and drainage systems within or traversing the Project or Additional Lands.

4.17 Governmental Easements. An easement to access and rights of ingress and egress over, across, through or under the Common Areas and Limited Common Areas for the purpose of providing police and fire protection, transporting school children and providing other governmental, municipal or utility service to the Project is hereby granted in favor of the Heber City, State of Utah.

5. UNITS AND THE CONVEYANCE OF A UNIT.

5.1 Conveyances. Every conveyance or 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, in substantially the following fashion:

BUILDING ____, UNIT ____ as shown in the Declaration and on the Record of Survey Map for "Power Line Road Condominiums" appearing in the records of the County Recorder of Wasatch County, State of Utah, as amended or supplemented from time to time, together with an undivided interest in and to the Common Area as the same are established and identified in the Declaration and Map referred to above.

SUBJECT TO: All liens for current and future assessments and charges imposed or levied pursuant to the Declaration of Covenants, Conditions and Restrictions of Power Line Road Condominiums; mineral reservations of record and rights incident thereto; all instruments of record which affect the above-described tract or any portion thereof, including, without limitation, any mortgage or deed of trust; all visible easements and rights-of-way; all easements and rights-of-way of record; all easements, rights-of-way, encroachments, or discrepancies shown on or revealed by the Record of Survey, Map or otherwise existing; an easement for every pipe, line, cable, wire, utility line, or similar facility which traverses or partially occupies the above-described tract; 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.

Such description shall be construed to describe the Unit, together with the appurtenant undivided interest in the Common Area and to incorporate all the rights and limitations incident to such ownership contained in this Declaration, in the By-Laws, and in any Rules and Regulations.

5.2 Binding Effect. Title to each Unit is hereby made subject to the terms and conditions hereof which bind the Declarant and all subsequent owners, whether or not it be so expressed in the deed by which any Owner acquired a Unit.

5.3 Municipal Powers. All Common Area shall have a public utility and drainage easement for the purposes of installation and maintenance of improvements. The Heber City reserves the right to require the Power Line 8 Owners Association, Inc. to assess its members to repair parking lot, landscaping, etc. where needed to repair or replace public utilities.

5.4 Maintenance of Units. Each Unit Owner is required to keep the interior of his or her Unit (including but not limited to the interior walls, windows, doors, ceiling, floors (including common cracking of concrete floors) and other fixtures) in a clean and sanitary condition and in a good state of repair. In the event that a Unit Owner fails to do so, and further fails to remedy the same within three (3) days following written notice from the Association, the Association shall have the right and power, at the sole and exclusive expense of the Unit Owner, and without liability to the Unit Owner for trespass or otherwise, to enter said Unit and correct or eliminate said unsanitary or unclean condition or state of disrepair; provided however, that the Association shall in no event have the obligation to correct or eliminate any such condition or state of disrepair. All such costs incurred by the Association shall be collected by the Association pursuant to the provisions of this Declaration and the Bylaws.

5.5 Separate Mortgages by Owners. Each Unit Owner shall have the right separately to mortgage or otherwise encumber his or her Unit, but shall not have the right to encumber the Common Areas or Limited Common Areas in any manner, except the Percentage Interest therein appurtenant to his or her Unit. **Any mortgage or other encumbrance of any Unit within the Project shall be subordinate to all of the provisions of this Declaration, and in the event of foreclosure, the provisions of this Declaration shall be binding upon any Owner whose title is derived through an act of foreclosure by private power of sale, judicial foreclosure or otherwise.**

5.6 Taxation of Units. Each Unit within the Project, including each Unit's appurtenant Percentage Interest in the Common Areas, shall be deemed to be a parcel and shall upon conveyance of any Unit by Declarant, be assessed separately for any and all taxes, assessments, and other charges of any political subdivision or any special improvement district or of any other taxing or assessing authority. For purposes of such assessment, the valuation of the Common Areas shall be apportioned among the Units in proportion to the Percentage Interest Appurtenant to such Units. All such taxes, assessments and other charges of each respective Unit shall be separately levied against the Owner thereof. No forfeiture or sale of any Unit for delinquent taxes, assessment or other governmental charges shall divest or in any other way affect the title to any other Unit.

5.7 Mechanic's Liens. No labor performed or material furnished or used in connection with any Unit with consent of at the request of an Owner or his agent or subcontractor shall create any right to file a notice of mechanic's lien against the Unit of any other Owner not expressly consenting to or requesting the same, or against any interest in the

Common Areas, except those interests appurtenant to the Unit for whom such labor shall have been performed and such materials shall have been furnished.

6. BOARD OF DIRECTORS RIGHTS AND OBLIGATIONS.

6.1 Description of Board of Directors of the Association. The business, property and affairs of the Association shall be managed by a Board of Directors initially composed of three members. The initial Board shall serve for a period of no longer than two (2) years, unless otherwise elected pursuant to the terms of the By-laws. At all times thereafter the Board shall be made up of not less than three (3) and not more than seven (7) members. The officers of the Association shall be a President, Vice-President, and Secretary/Treasurer who shall be elected from the Board by the Directors and/or appointed in accordance with the Bylaws. Until the first regular Meeting of the Association is held pursuant to the By-Laws, the Declarant alone shall select the five Board of Directors members. Until the first regular meeting of the Association is held, the members of the Board of Directors and the officers of the Association shall be:

<u>Members of Board of Directors</u>	<u>Position</u>
Jacob Jorgenson	President
Laura Jorgenson	Vice-President
Wendy Lowery	Secretary/Treasurer

In the event a Board seat which was filled by Declarant becomes vacant, Declarant shall have the right to select a replacement member to sit on the Board for the balance of the term associated with the vacated seat. In all other cases of vacancy, the remaining Board members shall elect a replacement as provided in the Association's Bylaws.

6.2 Implied Powers. The Board of Directors may exercise any 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.

6.3 General Powers. The Board of Directors shall have the rights and obligations set forth in Articles and Bylaws.

6.4 Management Power. The Board of Directors shall be responsible for the exclusive management and control of the Common Area and all improvements thereon (including furnishings and equipment related thereto), and shall keep the same in good, clean, attractive and sanitary condition, order and repair. The Board of Directors shall be responsible for repair or replacement of Common Area and shall have the exclusive right to contract for all goods, services, and insurance payments which are made for such repairs or replacement. The cost of such management, operation, maintenance, and repair by the Board of Directors shall be borne as provided in this Declaration and in the Association's Bylaws.

6.5 Employment Power. The Board of Directors 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 Board of Directors shall determine to be necessary or desirable for the proper operation of the Property, whether such personnel are furnished or

employed directly by the Board of Directors or by any person or entity with whom or which it contracts. The Board of Directors may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Property, the enforcement of this Declaration, the Bylaws, or any Rules and Regulations. The Board of Directors may arrange with others to furnish lighting, water, snow removal, parking lot cleaning services, grounds maintenance and other common services. The cost of such services shall be borne as provided in this Declaration and in the Association's By-Laws.

6.6 Ownership Powers. The Board of Directors may acquire and hold, for the use and benefit of all 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 Association.

6.7 Rule-Making Power. The Board of Directors may make Rules and Regulations governing the use of Units and of the Common Area and the penalties, including fines, for non-compliance with said Rules and Regulations. Any Rules and Regulations adopted shall be consistent with the rights and duties established in this Declaration.

6.8 Enforcement Power. The Board of Directors may suspend an Owner's voting rights for the period during which such Owner fails to comply with the Rules and Regulations, or with the obligations of an Owner under this Declaration; after sending such Owner a notice of non-compliance, at least ten (10) days prior to any meeting at which action may be taken by the Owners. The Board of Directors may also take judicial action against any Owner to enforce compliance with the Rules and Regulations, with other obligations, or to obtain damages for non-compliance, all to the extent permitted by law. The Board of Directors may also levy reasonable fine against any Owner for failing to comply with the provisions of this Declaration, the Bylaws, and/or the Rules and Regulations governing the Units and Common Area.

7. ASSESSMENTS.

7.1 Covenant. Declarant, for each Unit owned by it within the Property, hereby covenants, and each Owner of any Unit by the acceptance of a deed therefore, whether or not it be so expressed in the deed, shall hereby covenant and agree with each other and with the Association to pay to the Association for the purposes provided in this Declaration, all assessments, all special assessments, and other fees as provided in this Declaration, the Association's Bylaws, or Rules and Regulations.

7.2 Budget of Assessments. The total annual assessments against all Units shall be based upon advance estimates of cash requirements by the Board to provide for the payment of all estimated expenses from the maintenance and operation of the Common Area or furnishing among other things, expenses of management; grounds, maintenance; taxes and special assessments levied by governmental authorities until the Units are separately assessed as provided herein; premiums for all insurance which the Board of Directors is required or permitted to maintain; common lighting; water charges; trash collection; repairs and maintenance; wages for Board of Directors employees; legal and accounting fees; any deficit remaining from a previous period; the creation of a reasonable contingency reserve, surplus and/

or sinking fund; and any other expenses and liabilities which may be incurred by the Board of Directors for the benefit of the Owners under or by reason of this Declaration. All such assessments shall be made based on the Common Area Ownership Percentage as described on Exhibit D hereof.

7.3 Utilities. Each Unit Owner will be responsible for paying his/her gas, electric, internet and security. Sewer, water, and garbage collection service costs will be paid by the association and apportioned equally amongst the Units. The association reserves the right apportion an owner a higher percentage of the sewer, water, and/or garbage service costs if it determined that an owner's use is excessive or disproportional to the other owners. At the request of the association, an owner may be required, at owner's expense, to meter their water use. An owner can be reimbursed should a situation arise where an owner contributes gas or electricity for the common good of the association.

Water, gas, electric, sewer and garbage collection services for the Common Area may be metered separately or together with individual Units. If jointly metered with individual Units the portion attributable to the Common Area shall be a Common Area expense.

7.4 Common Area Expenses. Expenses attributable to the Common Area as a whole shall be apportioned among all Units in proportion to their respective undivided interest in the Common Area as set forth on Exhibit D. For this purpose, Declarant shall be considered to own only the undivided interest in Common Area based upon Units not conveyed by Declarant.

7.5 Assessments. Annual assessments shall be made on a calendar year basis. The Board of Directors shall give written notice of each annual assessment with respect to a Unit not less than thirty (30) days nor more than sixty (60) days prior to the beginning of the next calendar year. The first annual assessment shall be for the balance of the calendar year remaining after the date fixed by the Board of Directors. Each annual assessment shall be due and payable in monthly installments on the first day of each and every month, and no separate notices of such monthly installment shall be required. Each monthly assessment shall bear interest at the rate of eighteen (18) percent per annum from the date it becomes due, if not paid within thirty (30) days.

7.6 Special Assessments. In addition to annual assessments, the Board of Directors may levy in any assessment year a special assessment, payable over such a period as the Board of Directors 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 property or any part thereof, or for any other expense incurred or to be incurred as provided in this Declaration. This paragraph shall not be construed as an independent source of authority for the Board of Directors to incur expenses, but shall be construed to prescribe the manner of assessing for expenses authorized by other paragraphs of this Declaration. Any amounts assessed pursuant hereto shall be assessed to the Owners proportionately. Notice in writing of the amount of such special assessments and the time for their payment shall be given promptly to the Owners. Payment shall be due on the dates and in the manner provided in the notice. Any special assessment or part thereof shall bear interest at the rate of eighteen (18) percent per annum from the date it becomes due and payable if not paid within thirty (30) days after such date.

7.7 Collection. All sums assessed to any Unit pursuant to this section, together with interest thereon as provided herein and reasonable attorney's fees in the event of non-payment shall be a charge on the Unit and shall be secured by a continuing lien on such Unit in favor of the Association. Such lien shall have such priorities as established by law.

7.8 Liens. To establish a lien for any unpaid assessment, the Board of Directors may prepare a written notice of lien as set forth by statute. No notice of lien shall be recorded until there is a delinquency in payment of the assessment. Pursuant to Utah Code Ann. §57-8-45, such lien may be enforced either by judicial foreclosure by the Board of Directors, as provided by law, or by non-judicial foreclosure, as provided by law, by a trustee to be appointed by the Board of Directors by executing a Substitution of Trustee pursuant to Utah Code Ann. §57-1-22. The lien shall also secure the cost of preparing and recording the notice of lien, and the Owner shall also be required to pay to the Board of Directors any assessments against the Unit which shall become due during the period of foreclosure sale or other legal sale. The Board of Directors may bid on the Unit at foreclosure or other sale and may acquire, hold, convey, lease, rent, encumber, use and otherwise deal with the same as the Owner thereof.

7.9 Release of Liens. A release of lien shall be executed by the Board of Directors, or the trustee, as applicable, and recorded in the office of the County Recorder of Wasatch County, Utah, upon payment of all sums secured by a lien, including costs of preparing the notice of lien, recording fee of notice of lien and release of lien, which has been made the subject of a recorded notice of lien.

7.10 Other Lien Holders. An 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 Article, and upon such payment such encumbrancer shall be subrogated to all rights of the Board of Directors or trustee with respect to such lien, including priority.

7.11 Notice. The Board of Directors, or the trustee, as applicable, shall report to any encumbrancer of a Unit any unpaid assessments remaining unpaid for longer than one hundred and twenty (120) days after the same shall have become due; provided however, that such encumbrancer first shall have furnished to the Board of Directors or trustee written notice of such encumbrance.

7.12 Owner's Obligation. The amount of any annual or special assessment against any Unit, together with interest and costs as herein provided and reasonable attorney's fees, shall be the personal obligation of the Owner thereof to the Association. Any such suit to recover a judgment of such personal obligation shall be maintainable by the Board of Directors in the Association's name without foreclosing or waiving the lien securing the same. No Owner may void or diminish any personal obligation by waiver of the use and enjoyment of any of the Common Area or by abandonment of a Unit.

7.13 Statements. Upon payment of a reasonable fee not to exceed fifty dollars (\$50) and upon written request of any Owner, or any Mortgagee, prospective Mortgagee or prospective purchaser of a Unit, the Board of Directors shall issue a written statement setting forth the amount of 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 advanced payments or prepaid items. Such statement shall be conclusive upon the Board of Directors 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 become due prior to the making of such request shall be subordinate to the lien of a Mortgagee which acquired its interest subsequent to requesting such statement. Where a prospective purchaser makes such a request, both the lien and unpaid assessments, and the personal obligations of the purchaser shall be released automatically if the statement is not furnished within ten (10) days, and that purchaser subsequently acquires the Unit.

7.14 Liability of Purchaser. Subject to the provisions of subsection 7.1 and 7.13, 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 conveyance, without prejudice to the purchaser's right to recover from the seller the amount paid by the purchaser for such assessments.

8. USE OF UNITS.

8.1 Use of Common Area. There shall be no obstruction of Common Area by Owners and/or their guests/customers without the prior written consent of the Board of Directors. The Board of Directors may, by Rules and Regulations, prohibit or limit the use of the Common Area as may be reasonably necessary for protecting the interests of all Owners or protecting the Units or the Common Area. Nothing shall be kept or stored on any part of the Common Area without the prior written consent of the Board of Directors, except as specifically provided herein. Nothing shall be altered on, constructed in, or removed from the Common Area except upon the prior written consent of the Board of Directors.

8.2 Specific Restrictions on Use of Common Area. Nothing shall be done or kept in the Common Area which would result in the cancellation of the insurance on the Property or increase the rate of the insurance on the Property, over what the Board of Directors, but for such activity, would pay, without the prior written consent of the Board of Directors. Nothing shall be done or kept in any Units or in the Common Area or any part thereof which would be a violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body. No damage to, or waste of, the Common Area shall be committed by any Owner or any invitee of any Owner, and each Owner shall indemnify and hold the Board of Directors and the other Owners harmless against all loss resulting from any such damage or waste caused by that Owner or an invitee; provided, however, that any invitee of the Declarant shall not under any circumstances be deemed to be an invitee of any other Owner. No obnoxious, destructive or offensive activity shall be carried on in any Unit or in the Common Area, 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 possessing a Unit.

8.3 Use Rules. No Owner shall violate the Rules and Regulations as adopted from time to time by the Board of Directors.

8.4 Appearance. Each Owner shall keep the interior of his/her Unit in a clean, sanitary and attractive condition, and good state of repair.

8.5 Alterations. No alterations, plumbing, electrical or similar work within the Common Area shall be done by any Owner without the prior written consent of the Board of Directors.

8.6 Use by Declarant. Notwithstanding any provisions to the contrary herein contained, and except if it unreasonably interferes with an Owner's ability to conduct its business, it shall be expressly permissible for Declarant to maintain such facilities and conduct such activities as in the sole opinion of Declarant may be reasonably required, convenient or incidental to the construction and sale of units during the period of construction and sale of said units and upon such portion of the premises as Declarant deems necessary. This shall include but not be limited to a business office, storage areas, construction yard, signs, model units and sales offices. As part of the overall program of development of the properties into a commercial complex and to encourage the marketing thereof, the Declarant shall have the right of use of Common Area and facilities thereon without charge during the sales and construction period to aid in its marketing activities. The Heber City code for I-2 zoning does allow for occasional overnight use by owners and/or employees but permanent residence in or continual overnight stays are not allowed by the code or by Power Line 8 Owners Association.

8.7 Right to Lease. Owner of the Unit may lease to another party. The Owner is responsible to ensure Lessee abides by all covenants, rules, regulations and restrictions defined in this Declaration, and/or of the Bylaws of the Association, and or other rules and restrictions which may be changed as needed by the Association. The Owner is financially responsible for any damage, fines, taxes, assessments or other costs incurred due to use by lessee.

9. SHARED STRUCTURAL COMPONENTS.

9.1 Party Walls. Each wall or floor which is built as a part of the original construction of the Units upon the properties and placed on the dividing line between the Units shall constitute a party wall or floor, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

9.2 Repairs. The cost of reasonable repair and maintenance of a party wall or floor shall be shared by the Owners who make use of the wall or floor in proportion to such use.

9.3 Restoration. If a party wall or floor is destroyed or damaged by fire or other casualty, any Owner who has used the wall or floor may restore it, and if the other Owners thereafter make use of the wall or floor, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

9.4 Negligence. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful acts causes the party wall or floor to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

9.5 Subsequent Owners. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

10. SIGNS.

10.1 Location. Any signs attached or affixed to individual Units shall be placed in the designated location and will conform in all respects to the Association's rules and regulations as administered by the Board of Directors or Sign Committee if so delegated under the Bylaws.

10.2 Restrictions. Except for one "For Rent" or "For Sale" sign of not more than two (2) square feet, and excluding reasonably sized signs identifying any Owners' or lessee's business activities, no advertising signs, billboards, objects of unsightly appearance, or nuisances shall be erected, placed, or permitted to remain on any unit or any portion of the properties other than the area of each unit designated for signs without specific written approval from the Board. The foregoing restrictions shall not apply to the commercial activities, signs and billboards, if any, of the Declarant or its agents during the construction and sales period or by the Association in furtherance of its powers and purposes set forth hereinafter and in its Articles of Incorporation, Bylaws and Rules and Regulations, as the same may be amended from time to time.

11. INSURANCE.

The Board of Directors may elect to obtain and keep in full force and effect at all times the following insurance coverage provided by companies duly authorized to do business in Utah. The cost, if any, of insurance coverage obtained by the Board of Directors shall be included in the annual assessment as set forth in Article 7 hereof.

11.1 Casualty Coverage. The Association shall purchase casualty insurance to cover specific losses to property. The amount of the Association Policy ("Umbrella Policy") shall cover casualty on the Common Area in such amounts as shall provide for full replacement thereof in the event of damage or destruction, all in the manner in which a corporation owning similar commercial buildings would, in the exercise of prudent business judgment, obtain such insurance. This Umbrella Policy shall be considered a secondary policy which first requires any primary policy held by any Owner to pay up to its policy limits. The Umbrella Policy is experience rated and premiums will to the Association will be raised based on actual claims submitted under the policy.

The Umbrella Policy shall cover loss or damage which may be incurred on the part of the Association or its members, to the following:

11.1.1 All Common Areas and facilities dedicated to common use.

11.1.2 The Structure of the individual Units.

11.1.3 Exterior surfaces of walls and roofs.

11.1.4 Structural components including but not limited to framing, trusses, subfloor (i.e. cement slab or floor joists and decking).

11.1.5 Utility, conduit and plumbing lines within the walls.

11.1.6 Losses to a structure due to fire and smoke.

11.2 Liability Coverage. The Board shall also purchase comprehensive liability coverage in such amounts and in such forms as it deems advisable to provide adequate protection. Coverage shall, at a minimum, include liability for personal injuries and activities in connection with the ownership, operation, maintenance and other use of the Property. Workers' compensation or employer's liability insurance and all other similar insurance in respect to employees of the Board of Directors in the amounts and in the forms now or hereafter required by law.

11.3 Deductibles. The Board of Directors may comply with the above requirements by the purchase of said policies and may elect such "deductible" provisions as in the opinion of the Board of Directors are consistent with good business practice.

11.4 Claims. Any claim filed for payment under the Umbrella Policy shall first be submitted to the Board of Directors. The Board of Directors, in their sole discretion, shall submit said claim to the underwriter.

11.5 Indemnity. All members shall be responsible for any loss or damage not defined above and shall further indemnify the Association and its Board of Directors from any and all claims, demands, causes of action including attorney's fees, arising out of any insurance matter; and the Owner shall be personally responsible for any loss or damage including but not limited to the following:

11.5.1 Any loss or damage not specified in Section 11.1 above which is attributable to an individual Unit.

11.5.2 Any deductible on the overall policy. The Owner is responsible for payment of the deductible even where paid out on any loss set forth in Section 11.1.

11.5.3 Any loss of personal property, fixtures, or nonstructural improvements within an individual unit including but not limited to carpets or floor coverings, furnishings, cabinetwork, wall coverings, window dressings, decoration of any type and paint.

11.5.4 Any loss incurred inside the exterior unfinished walls of an individual unit except those specified in Section 11.1 above.

11.5.6 Any loss due to flooding or other water damage, earthquake, volcanic eruption or other disaster not specifically covered in the overall policy held by the Association.

11.5.7 All losses or damage due to acts of war or nuclear disaster.

11.6 Fidelity Bond. The Board of Directors may purchase a fidelity bond in the amount of 150% of the Association's estimated annual operating expenses and reserves, to insure against dishonesty of employees, destruction or disappearance of money or securities, and forgery.

11.7 Other Insurance. The Board of Directors may obtain insurance against such other risks, of a similar or dissimilar nature, as it shall deem appropriate with respect to the Property, including any personal property of the Board of Directors located thereon.

11.8 Casualty Insureds. Casualty insurance shall be carried in a form or forms naming the Association as the insured, as trustee for the Owners and for Declarant while an Owner. Such policies shall provide a standard, non-contributory mortgagees clause in favor of each first Mortgagee which shall have given notice to the Board of Directors of such first mortgage. Each policy also shall provide that it cannot be canceled by either the insured or the insurance company until after ten (10) days prior written notice is first given to each Owner, to Declarant, and to each first mortgagee. All policies of insurance shall, if possible, provide that the insurance there under shall be invalidated or suspended only in respect to the interest of any particular Owner guilty of breach of warranty, act, omission, negligence or noncompliance with any provision of such policy, including payment of the insurance premium applicable to that Owner's interest, or who permits or fails to prevent the happening of any event, whether occurring before or after a loss, which under the provisions of such policy would otherwise invalidate or suspend the entire policy. All policies of insurance shall, if possible, provide further that the insurance under any such policy as to the interest of all other insured Owners not guilty of any such act or omission, shall not be invalidated and shall remain in full force and effect.

11.9 Liability Insureds. Public liability and property damage insurance shall name the Association as the insured, as trustee for the Owners and for Declarant while an Owner, and shall protect each Owner and the Declarant against liability for acts of the Board of Directors in connection with the ownership operation, maintenance or other use of the Property. Such policies of insurance shall provide that all insureds (including the Declarant, Owners, and Board of Directors, and officers of the Association) shall be considered as separately insured and coverages shall be afforded each such insured in the same manner as though separate policies had been issued to each such insured and the insurance afforded any person or organization as insured under this policy shall not in any way be prejudiced by the inclusion therein of more than one person and/or organization as insured, but the inclusion of more than one insured under the policy shall not operate to increase the limits of the company's total liability under the policy.

11.10 Unit Owner Responsibility. Casualty and public liability insurance coverage within each individual Unit shall be the responsibility of the respective Owners.

11.11 Proceeds. The Board of Directors shall receive the proceeds of any casualty insurance payment received under policies obtained and maintained. To the extent that reconstruction is required, the proceeds shall be used for the purpose of reconstructing the Common Area, but not for the reconstruction of a Unit Owner's individual property or improvements.

11.12 Individual Policies. Notwithstanding the provisions of subparagraphs 11.1 and 11.2 above, each Owner may obtain insurance at his/her own expense providing coverage upon a Unit, personal property, personal liability, and covering such other risks as may be deemed appropriate, but each such policy shall provide that it does not diminish the coverage for liability arising under insurance policies which cover the Board of Directors, the other Owners, and the servants, agents, guests of any of them, if such insurance can be obtained in the normal practice without additional premium charge.

12. CASUALTY DAMAGE OR DESTRUCTION.

12.1 Appointment of Agent. All of the Owners irrevocably constitute and appoint the Board of Directors their true and lawful agent in their name, place and stead for the purpose of dealing with the Property upon its damage or destruction. Acceptance of a deed from the Declarant or from any Owner shall constitute appointment of the Board of Directors as an attorney in fact for the limited purposes as herein provided.

12.2 Power of Agent. As attorney in fact, the Board of Directors shall have full and complete authorization, right and power to make, execute, and deliver any contract, deed or other instrument with respect to the interest of a Unit Owner which may be necessary or appropriate to exercise the powers herein granted. Repair and reconstruction of the improvements, as used in the succeeding subparagraphs, means restoring the Property to substantially the same condition in which it existed prior to damage, with each Unit, and the Common Area having substantially the same vertical and horizontal boundaries as before.

12.3 Purchase by Association. In the event any Mortgagee should not agree to rebuild, the Board of Directors shall have the option to purchase such mortgage on behalf of the Association by payment in full of the amount secured thereby. The Board of Directors may obtain the funds for such purpose by special assessments under Section 7 of this Declaration.

12.4 Repair/Reconstruction. As soon as practicable after receiving estimates, the Board of Directors shall diligently pursue completion of the repair or reconstruction of the part of the Property damaged or destroyed, but only if the Property is damaged or destroyed to the extent of 75% or less than the value thereof, the Owners shall, at a meeting within 100 days after such damage or destruction duly called by the Board of Directors for the purpose, determine whether or not said premises should be rebuilt, repaired or disposed. Unless Owners representing at least 80% of the undivided interest in the Common Area agree to the withdrawal of the Property from the provisions of the Act and this Declaration and to its subsequent disposal, the Property shall be repaired, rebuilt or restored to substantially the same condition it was in immediately prior to destruction or damage. The Board of Directors may take all necessary or appropriate action to effect repair or reconstruction, as attorney in fact for the Owners, and no consent or other action by any Owner shall be necessary in connection therewith. Such repair or reconstruction shall be substantially in accordance with the original plans and specifications of the Property or may be in accordance with any other plans and specifications the Owners may approve, and the location of any building shall be substantially the same as prior to damage or destruction. The same easements for encroachments as declared in Article 4 shall apply under the provisions of this Section.

12.5 Insurance Proceeds. The proceeds of any insurance collected shall be available to the Board of Directors for the purpose of repair or reconstruction. If the proceeds of insurance are insufficient to pay the estimated or actual cost of such repair or reconstruction, the Board of Directors may levy in advance a special assessment sufficient to provide funds to pay the estimated or actual costs of repair or reconstruction. Such assessment shall be allocated and collected as provided in this Declaration. Further levies may be made in like manner if the amounts collected prove insufficient to complete the repair or reconstruction.

12.6 Priority of Payment. The insurance proceeds held by the Board of Directors and the amounts received from assessments provided for in Articles 7 and 11 constitute a fund for the payment of cost of repair and reconstruction after casualty. It shall be deemed that the first money disbursed in payment for cost or repair of reconstruction shall be made from insurance proceeds; if there is a balance after payment of all costs of such repair or reconstruction, such balance shall be distributed to the Owners in proportion to the contributions each Owner made pursuant to the assessments the Board of Directors made under Section 7 of this Declaration.

12.7 Withdrawal. If 80% of the Owners and all holders of first mortgages on Units agree not to rebuild, as provided herein, the Property may be removed from the provisions of the Act as prescribed herein. Withdrawal shall be in accordance with the Utah Statutes.

13. MORTGAGEES.

13.1 Rights of Mortgagees. Notwithstanding all other provisions hereof:

13.1.1 The liens created hereunder upon any Unit shall be subject to 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 a trust deed with first priority over other mortgages) where such interest was made in good faith and for value, provided that after the foreclosure of any such mortgage there may be a lien on the interest of the purchaser at such foreclosure sale to secure all assessments made pursuant to this Declaration after the date of such foreclosure sale, which lien shall have the same effect and be enforced in the manner as provided herein. All other mortgages shall have such rights and priorities as established by law.

13.1.2 No amendment to this paragraph shall affect the rights of the holder of any such mortgage who does not join in the execution thereof.

4. FUTURE DEVELOPMENT.

14.1 Right to Develop. Notwithstanding anything contained herein to the contrary, no provision of this Declaration is intended or shall be construed to prevent or limit Declarant's rights to develop the Community and to exercise the rights reserved by Declarant as hereinafter provided. Nothing in this Declaration shall be construed to require Declarant, or Declarant's successor or assigns, to develop any Lot or other Improvements in any manner whatsoever. Any right or any interest reserved or contained in this Declaration for the benefit of Declarant may be transferred or assigned by Declarant, either separately or with one or more other such rights or

interests, to any person, corporation, partnership, Association, or other entity, only by written instrument executed by both Declarant and the transferee or assignee and Recorded in the Office of the Salt Lake County Recorder, State of Utah. Upon such Recording, Declarant's rights and obligations under this Declaration shall cease and terminate to the extent provided in such instrument.

14.2. Declarant's Control. Notwithstanding anything herein to the contrary, Declarant, or a managing agent or some other person or persons selected by Declarant, may appoint and remove some or all of the members of the Board or some or all of the officers of the Association or may exercise the powers and responsibilities otherwise assigned by this Declaration or under Utah law to the Association, its officers, or the Board. The period of Declarant control as used in this Declaration and the other Community Documents shall have the same meaning as the "period of administrative control" defined under Utah Code Ann. § 57-8a-104(1). The right of the Declarant contained in this Section 2.18 shall terminate upon the first of the following to occur:

14.2.1. The expiration of fifteen (15) years from the date that this Declaration is Recorded;

14.3.2. After ninety percent (90%) of Lots have been conveyed by Declarant; or

14.3.3. The date on which Declarant voluntarily relinquishes its control rights as evidenced by a Recorded notice.

15. MISCELLANEOUS PROVISIONS.

15.1 Quiet Enjoyment. No noxious or offensive activity shall be carried on upon any part of the properties nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood. No activity will be permitted which shall in any way interfere with the quiet enjoyment or business activities of each Owner or which shall in any way increase the rate of insurance. The Association shall be responsible for policing and correcting violation of this by other provisions of these Declarations.

15.2 Duty of Owner to Pay Taxes on Individual Unit. Under the Act each Unit and its appurtenant percentage of interest in the Common Area in the Property is subject to separate assessment and taxation of each taxing authority and the special district(s) for all types of taxes and assessments authorized by law, and that as a result thereof no taxes will be assessed or levied against the property as such. Accordingly, each Unit Owner will pay and discharge any and all taxes and assessments which may be assessed on such Unit Owner's Unit.

15.3 Payment of Taxes on Common Area. The Association shall be responsible for the payment of all taxes on Common Area only if they are not included in the Unit Owners property tax. In this event, such property taxes shall be paid by assessment against the Unit Owners, within the meaning of Section 7 above.

15.4. No motor vehicle which is inoperable shall be allowed on the Property except within a Unit or by written approval from the Association to park within Parcel A only. Any motor vehicle which remains parked over 48 hours shall be subject to removal by the Association, and/or Association fines, at the Unit owner's expense. If parking spaces are designated on the site for individual businesses, each such space is for the exclusive use of the Unit Owner or his/or own guest.

No motor vehicle or any other trailers or equipment shall be allowed within the parking areas, driveway areas, and anywhere snow removal operations are required during winter from the hours of 12 am to 5:30 am. Vehicles that remain in way of snow removal are subject to removal by the Associate and/or fines, at the Unit owner's expense.

If parking areas are not designated on the Map with unit numbers, the Association may assign vehicle parking space for each Unit. Recreational vehicles, boats, travel trailers, and similar property, or any overnight parked trucks, automobiles, trailers, or equipment, shall be parked inside or stored inside Units. Parking spaces in common area are for use only when the owner is present. If an Owner or guest uses their designated parking, he or she must be available to move vehicle in case another owner needs the common the space to back-up RVs or trailers or other vehicles into their Units. No trailers or equipment shall be parked in common area (Parcel A excluded for use per 4.9 above) other than by written approval from the Association and then only for short term use.

15.5 External Apparatus. Except for reasonable signage as permitted by this Declaration, no Owner shall cause or permit anything including, but not limited to, awnings, canopies or shutters, to hang or be otherwise affixed to the exterior walls, roof, or any part thereof.

15.6 Exterior Television or Other Antennas. No exterior radio, television or other antennas shall be placed or maintained upon any of said Units without prior written approval of the Directors.

15.7 Amendments. The Owners, at any time, have the right to amend this Declaration and/or the Map upon the approval of Owners representing not less than two-thirds (2/3) of the undivided interest in the Common Area.

Notwithstanding anything to the contrary contained in this Declaration, until the close of sale on 65% of the total square footage of the Property, or fifteen (15) years from the date of recordation of this Declaration, whichever occurs first, Declarant shall have, and is hereby vested with, the right to unilaterally amend this Declaration or the Map, so long as the amendment involved is consistent with law and does not attempt to divest any property rights of any Owner or first Mortgagee.

15.8 Indemnification of Board of Directors. Each member of the Board of Directors shall be entitled to be indemnified and held harmless by the Unit Owners to the fullest extent provided by Utah law against all cost, expenses, and liabilities whatsoever, including attorney's

fees, reasonably incurred by him in connection with any proceeding to which he may become involved by reason of being or having been a member of the Board.

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

15.10 Topical Headings and Conflict. The headings appearing at the beginning of the paragraphs 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 of any paragraph or provision hereof. In case any provisions hereof shall conflict with Utah law, Utah law shall be deemed to control.

15.11 Voting of the Association. All voting shall be conducted in accordance with the Articles and Bylaws of the Association.

15.12 Pet Restrictions. Except as hereinafter provided, no animals, livestock, or poultry of any kind shall be raised, bred, or kept in any Unit or on the Common Area. Notwithstanding the foregoing, household domestic pets, not bred or maintained for commercial purposes, are temporarily allowed onsite provided that: (i) the owner is physically present, (ii) the pet is not allowed to run at large at any time, (iii) the maintaining of animals shall be subject to the Association Rules as the Board may from time to time promulgate, including, without limitation, the right to prohibit pets entirely, to place limitations on the size, number and type of such pets, and the right to levy enforcement charges against persons who do not clean up after their pets; and if the Board, in its full and complete discretion, determines that maintenance of the animal constitutes a nuisance or creates a detrimental effect on the Community or other Units or Occupants.

15.13. Declarant's Disclaimer of Representations. Nothing which may be represented to a purchaser by real estate brokers or salespersons representing the Declarant or any Declarant Affiliate shall be deemed to create any covenants or restrictions, implied or express, with respect to the use of any Property subject to this Declaration. Unless Declarant expressly agrees in writing with the Association to pay the costs of maintaining any portion of the Common Area, Declarant shall have no such obligation, regardless of any inferences which may be drawn from promotional or other materials.

15.14. Radon. Radon is a naturally occurring radioactive gas that, when it has accumulated in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Utah. Additional information regarding radon and radon testing may be obtained from the applicable county public health unit. Owners hereby acknowledge that neither Declarant or the Association will be responsible for injury or damage to persons or property caused by radon.

15.15. Security. The Association may, but shall not be obligated to, maintain or support certain activities within the Community designed to make the Community safer than it otherwise might be. NEITHER THE ASSOCIATION, THE BOARD, OR THE DECLARANT, (COLLECTIVELY, THE "COMMUNITY GOVERNING BODIES") SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE COMMUNITY, HOWEVER, AND THE COMMUNITY GOVERNING BODIES SHALL NOT BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. ALL OWNERS, OCCUPANTS, GUESTS AND INVITEES OF ANY OWNER OR OCCUPANT, AS APPLICABLE, ACKNOWLEDGE THAT THE COMMUNITY GOVERNING BODIES DO NOT REPRESENT OR WARRANT THAT ANY FIRE PROTECTION SYSTEM OR BURGLAR ALARM SYSTEM DESIGNATED OR INSTALLED BY DECLARANT OR THE ASSOCIATION MAY NOT BE COMPROMISED OR CIRCUMVENTED, THAT ANY FIRE PROTECTION OR BURGLAR ALARM SYSTEMS WILL PREVENT LOSS BY FIRE, SMOKE, BURGLARY, THEFT, HOLD-UP, OR OTHERWISE NOR THAT FIRE PROTECTION OR BURGLARY ALARM SYSTEMS WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. EACH OWNER, OCCUPANT, GUEST OR INVITEE OF AN OWNER OR OCCUPANT, AS APPLICABLE, ACKNOWLEDGES AND UNDERSTANDS THAT THE COMMUNITY GOVERNING BODIES ARE NOT INSURERS AND THAT EACH OWNER, OCCUPANT, GUEST AND INVITEE ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO LOTS, TO PERSONS, TO RESIDENCES, TO IMPROVEMENTS AND TO THE CONTENTS OF RESIDENCES AND IMPROVEMENTS AND FURTHER ACKNOWLEDGES THAT THE COMMUNITY GOVERNING BODIES HAVE NOT MADE REPRESENTATIONS OR WARRANTIES NOR HAS ANY OWNER, OCCUPANT, GUEST OR INVITEE RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE AND/OR BURGLAR ALARM SYSTEMS RECOMMENDED OR INSTALLED OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE COMMUNITY.

15.16 Service of Process Under Declaration. In any action brought for or against the condominium project outlined herein, process shall be served on Jake Jorgenson Leasing, LLC located at 551 W Power Line Road, Unit #1, Heber City UT 84032.

EXECUTED by the Declarant this 23 day of October, 2024. Declarant:

Jake Jorgenson Leasing, LLC, a Utah limited liability company

 _____ Jacob Jorgenson, Member

STATE OF UTAH) SS.

WASATCH COUNTY)

On this 23rd day of October, 2024, personally appeared before me Jacob Jorgenson, a Member of Jake Jorgenson Leasing, LLC, and being duly authorized to do so, executed the foregoing instrument for the purposes set forth therein.

Kelly Rogers _____ Notary Public

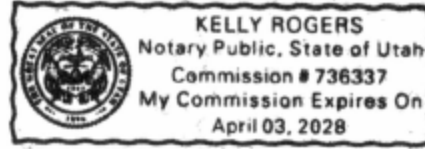


Exhibit A PLAT MAP

Exhibit B LEGAL DESCRIPTION

Exhibit C BYLAWS

Exhibit D INTEREST IN COMMON AREA

EXHIBIT A

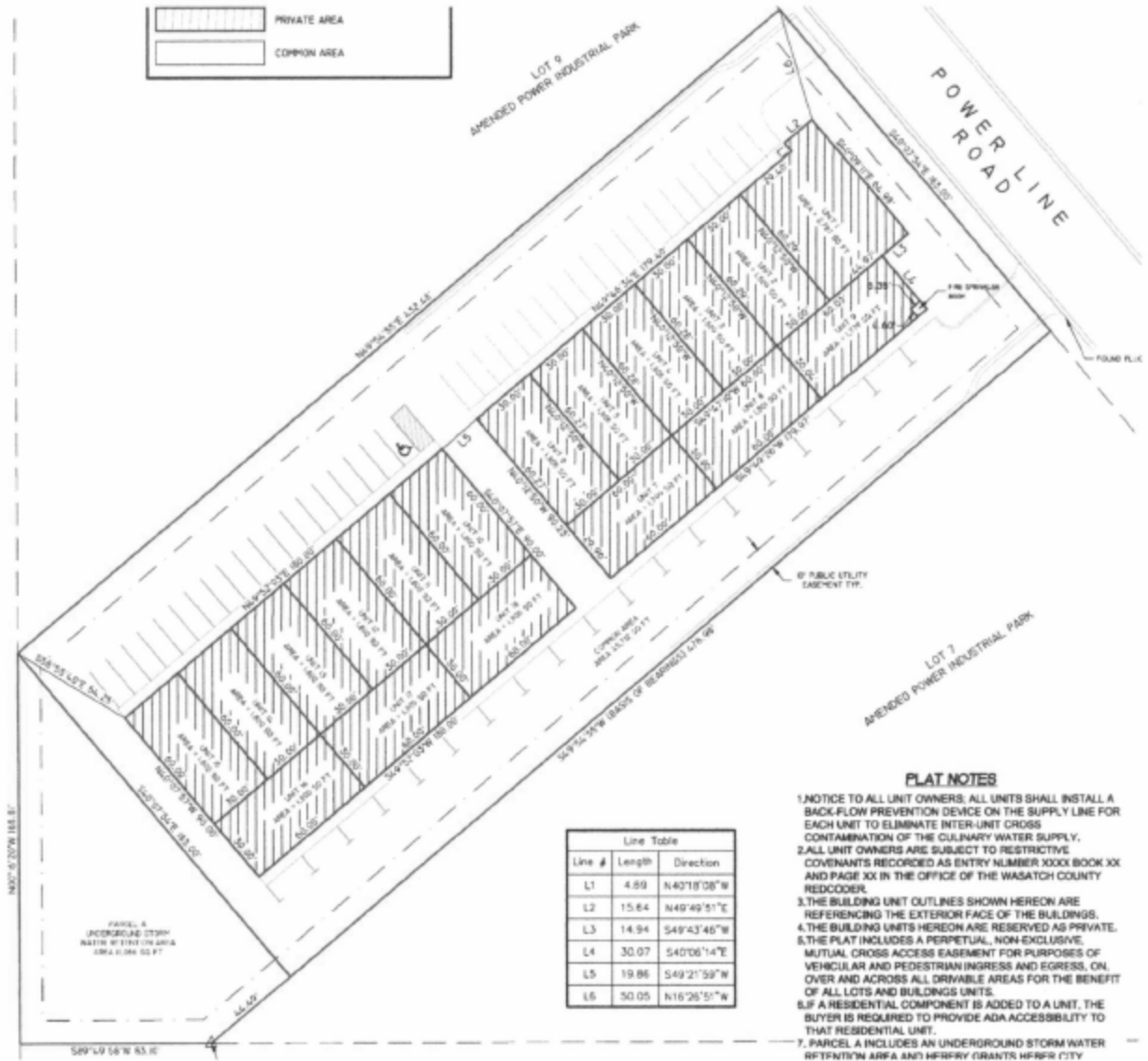


EXHIBIT B

(Legal Description)

ALL OF LOT 8 AMENDED OF THE INDUSTRIAL POWER PARK AMENDED
SUBDIVISION, ACCORDING TO THE OFFICIAL PLAT THEREOF, ON FILE AND OF
RECORD IN THE OFFICE OF THE RECORDER, WASATCH COUNTY.

AREA = 2.07 ACRES

Acres: 2.07, # of UNITS 18.

AMMENDMENT TO THE AMENDED POWER INDUSTRIAL PARK PLAT

LOCATED IN THE

LOCATED IN THE SOUTHEAST QUARTER OF SECTION 7, TOWNSHIP 4
SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN,
HEBER CITY, WASATCH COUNTY, UTAH

EXHIBIT C

**BY-LAWS OF
POWER LINE 8 OWNERS ASSOCIATION**

The following By-Laws are hereby adopted to govern the affairs of Power Line 8 Owners Association (herein referred to as "the project" or "Power Line Road Condominiums") in conjunction with the covenants, restrictions and reservations set forth and contained in the Master Deed of Power Line 8 Owners Association ("Owners").

**ARTICLE I
DEFINITIONS**

Unless it is plainly evidenced by the context that a different meaning is intended, the following words and terms as used herein shall have the following meanings:

(a) "Unit" means an enclosed space consisting of an area occupying all or part of a building of the Power Industrial Park Condominiums and designated by appropriate designation as such on the accompanying floor plans, each of which has a direct exit to an exterior entranceway, or to a given common space leading to the outside, shown on the plat and plans of the Power Industrial Park Condominiums as a numbered portion or division thereof.

(b) "Owner" or "Co-owner" means and refers to a person, firm, corporation, partnership, association, trust, or legal entity, or any combination thereof, who or which owns an apartment in the Power Industrial Park Condominiums.

(c) "Council of Co-Owners" means all of the co-owners as defined in Subsection (b) of this Article, but a majority as defined in Subsection (e) of this Article shall constitute a quorum for the adoption of decisions.

(d) "General Common Elements" means and includes: (1) the land on which all buildings in the Project stand and all surrounding area as designated on the accompanying plat; (2) the foundations, walls and ceilings to the point where interior finishes thereof are to be affixed, exterior walls, roofs, parking areas, patios, entrances, exits, or communication ways; (3) yards, gardens, streets, walks and green areas; (4) the premises for the lodging of janitors or employees, or any utility services used in common, or general maintenance equipment, and/or offices for persons in charge of the improvements and property of the Project; (5) installations for provision of electric power, light, gas, water, television antenna systems, storm and sanitary sewer systems, and the like, to the extent that such facilities serve more than one Unit in the Project and to the point at which the same extend beyond the dividing line separating general common elements as herein defined and the designated Units as commonly installed for attachment thereto of appliances and fixtures; (6) garbage incinerators or storage facilities and, in general, all devices or installations existing for common use of owners in the Project; and (7) all other components of the buildings and improvements rationally used and intended for the common use or necessary to the operation, use, existence, upkeep and safety of more than a single Unit in the Project. To the extent of any conflict in the definition of "general common elements" contained herein with the definition

thereof in the master deed for the Power Industrial Park Condominiums, the provisions of the master deed shall be controlling.

(e) "Majority of Co-owners" means fifty-one percent (51%) or more of owners holding basic values of the property as a whole in accordance with the percentages computed in the provisions of the master deed.

(f) "Person" means an individual, firm, corporation, partnership, association, trust, or other legal entity, or any combination thereof.

(g) "Property" means and includes the land, the buildings, all improvements and structures thereon, and all easements, rights, and appurtenances belonging thereto.

(h) All pronouns used herein include the male, female, and neuter genders and include the singular or plural numbers, as the appropriate case may be, notwithstanding that an inappropriate gender may be used in fact.

ARTICLE II
STATUS OF UNITS WITHIN
POWER LINE ROAD CONDOMINIUMS

A Unit in the Project may be individually conveyed and encumbered and may be the subject of ownership, possession or sale and of all types of legal acts as if it were sold and entirely independent of the other Units in the Project of which it forms a part, and the corresponding individual titles and interests shall be recordable.

ARTICLE III
JOINT TENANCIES-TENANCIES IN COMMON-TENANCIES
BY THE ENTIRETY

Any Unit may be held and owned by more than one person as joint tenants, as tenants in common, as tenants by the entirety, or in any other real estate tenancy relationship recognized under the laws of the State of Utah.

ARTICLE IV
OWNERSHIP OF A UNIT-COMMON ELEMENTS-PERCENTAGES

A Unit owner shall have the exclusive ownership of his Unit and shall have a common right to share, with the other co-owners, in the common elements of the property, equivalent to the percentages assigned by the master deed to the individual apartment, with relation to the whole property. Percentages as determined in the master deed shall have a permanent character, and shall not be altered without the acquiescence of co-owners representing all of the Units of the Condominiums. The basic values as so established shall not prevent each co-owner from fixing a different circumstantial value to his apartment in any type of act or contract.

ARTICLE V
INDIVISIBILITY OF THE COMMON ELEMENTS

The common elements shall remain undivided and shall not be the object of an action for partition or division of the co-ownership.

ARTICLE VI
USE OF THE ELEMENTS HELD IN COMMON

Except to the extent herein provided, each co-owner may use the elements held in common in accordance with the purposes for which they are intended, in common with other owners, without hindering or encroaching upon the lawful rights of the other co-owners. Provision of parking as hereafter described, while on common property, shall be subject to the individual rights with respect thereto established in accordance with these By-Laws.

ARTICLE VII
COMMON ELEMENTS

“Common elements” shall mean all land and all portions of the property not located within any Unit or lot and also includes foundations, roofs, common walls, load bearing walls, perimeter walls, columns and girders to the interior surfaces thereof, pipes, ducts, flues, shoots, conduits, wires and other utility installations to the outlets, regardless of location, entrance and exit and communication ways, parking areas, patios, yards, gardens, roads, streets, installation for central services such as power, light, gas, refrigeration, reservoirs, water systems and treatment plants, sewer systems, carports, and, in general, all devices or installations necessary or convenient to its existence, maintenance and safety, or normally in common use serving more than one apartment.

ARTICLE VIII
CONTROL

The Power Industrial Park Condominiums shall be under the exclusive control and management of the Board of Administration, except to the extent that decisions as provided in these By-Laws are reserved for determination by the Council of Co-owners.

ARTICLE IX
NOTICE OF MEETINGS

The annual meeting of the Council of Co-owners shall be held on the first week in the Month of February of each year. Notice of such meeting and of special meetings of the owners shall be given by mail to the owner's address last reflected in the telephone directory or at such address as such owner may have for an Unit in the Power Industrial Park Condominiums and shall be mailed not less than ten days nor more than fifteen days prior to the date of the meeting.

ARTICLE X
QUORUM

At such meeting of the Council of Co-owners, the president or vice-president shall preside at all meetings. The presence at any duly called meeting of owners having fifty-one percent (51%)

or more of the basic value of the property as a whole and as established in the master deed represented by owners present shall constitute a quorum for the conduct of business. Unless otherwise expressly provided in the law, the master deed or these by-laws, any action may be taken at any meeting of the owners upon the affirmative vote of a majority of the voting power of the owners present, which shall be in accordance with their respective percentage of ownership of the total Condominiums, provided that a quorum is present as provided for herein.

ARTICLE XI REPORTS

At the annual meeting of the Council of Co-owners, the Board of Administration shall present an audit of common expenses (unless the Council of Co-owners shall have unanimously waived the necessity for a formal audit of the Project's financial affairs) itemizing the receipts and disbursements for the preceding calendar year, the allocation thereof to each owner, and the estimated common expenses for the coming calendar year. Within ten days after the annual meeting, such statement shall be delivered or mailed to owners not present, in person, at the annual meeting.

ARTICLE XII SPECIAL MEETINGS

Special meetings of the Council of Co-owners may be called at any time for the purpose of considering matters, which by the terms of these by-laws or the master deed, require the approval of all or some of the owners, or for any other reasonable purpose. Such meeting shall be called by written notice, signed by a majority of the Board of Administration, by the President of the Board of Administration, or by owners having one-third or more of the total percentages of ownership of the Project, and mailed not less than ten days nor more than fifteen days prior to the date fixed for said meeting. Such notices shall specify the date, time and place of the meeting, and the matters to be considered there.

ARTICLE XIII ELECTION AND PROCEEDINGS OF THE BOARD OF ADMINISTRATION

(a) Election. At each annual meeting of the Council of Co-owners, the co-owners shall elect a Board of Administration for the coming year, consisting of three owners; provided, however, that the first Board of Administration shall consist of three owners who are authorized to act as the Board of Administration until Units representing more than 50% of the common elements as provided in the Master Deed shall have been sold or conveyed by them to third parties and, in any event, shall serve until the regular first annual meeting held thereafter. Notwithstanding that the provision is here made for a Board of three owners, until there are three individual owners of units in this Project, the Board of Administration may consist of such smaller numbers as there are individual and separate owners of units in the Project. Every owner entitled to vote at any election of members for the Board of Administration may accumulate his vote and give one candidate the number of votes equal to the number of members of the Board of Administration to be elected, multiplied by the number of the votes to which such owner is otherwise entitled, and

may distribute his votes in the same manner among as many candidates as he chooses. The candidates receiving the highest number of votes up to the number of members of the Board of Administration to be elected shall be deemed to be elected.

(b) Term. Members of the Board of Administration (other than the original members as herein designated) shall serve for a term of three years; provided that the terms of the first elected Board of Administration shall be staggered and by lot one shall be selected to serve for a one year term; one shall be selected to serve for a two year term; and the other shall be selected to serve for a three year term. Thereafter, the terms of the member elected, annually, to the Board of Administration shall be for a term of three years so that one member of the Board of Administration shall be elected each year. Members of the Board of Administration shall serve until their respective successors are elected, or until their death, resignation or removal; provided, that if any member ceases to be an owner, his membership on the Board of Administration shall thereupon automatically terminate.

(c) Resignation and Removal. Any member may resign at any time by giving written notice to the Board of Administration, and any member may be removed from membership on the Board of Administration by a vote of owners holding not less than two-thirds (2/3) of the basic value of the Project at any time and without cause.

(d) Proceeding. Two members of the Board of Administration shall constitute a quorum, and if a quorum is present, the decision of those present shall be an act of the Board of Administration.

(e) Officers. The Board of Administration shall elect a President who shall preside over both its meetings and those of the owners and have such additional authority and responsibility as may be customary for the chief executive officers of a corporation except to the extent that the provisions of these bylaws may be in conflict; a Vice-President to serve in the absence of the President; and a Secretary who shall be responsible for keeping minutes of meetings of the co-owners and the Board of Administration and other records pertaining to the operations of the Project. The Board of Administration may select a separate Treasurer to be responsible for the financial records of the Project, or the Treasurer may also hold another office.

(f) Rules of Order. At all proceedings of the Board of Administration and owners, the conduct thereof shall be in accordance with such regulations as the Board of Administration may adopt not in conflict with these by-laws. Pending any change thereof, Roberts Rules of Order shall govern any matter not otherwise covered to the contrary herein. The Board of Administration may validly act without holding a formal meeting by declaring their action, unanimously, in writing by a memorandum thereof in lieu of a formal meeting.

(g) Notice of Election. After the first election of the Board of Administration, the initial Board of Administration, or the President thereof, may execute, acknowledge and record an affidavit stating the names of the persons elected to membership on the Board of Administration. Thereafter, the President and Secretary of the then current Board of Administration may execute, acknowledge and record in the office of the Circuit Clerk and Ex-officio Recorder of Wasatch County, Utah, an affidavit stating the names of all of the members of the then current Board of Administration. The most recently recorded of such affidavits shall be prima facie evidence that

the persons named therein are all of the incumbent members of the Board of Administration and shall be conclusive evidence thereof in favor of all persons who rely thereon in good faith.

ARTICLE XIV
AUTHORITY OF THE BOARD OF ADMINISTRATION

The Board of Administration, for the benefit of the Project and the owners, shall enforce the provisions hereof and shall acquire and shall pay out of the common expense fund hereinafter provided for, the following:

(a) Water, sewer, garbage collection, electrical, telephone, gas, and other necessary utility services for the common elements to the extent not separately metered or charged to the individual Units;

(b) A policy or policies of fire insurance as hereafter described in these by-laws with extended coverage endorsement for the full insurable replacement value of the improvements in the Project payable in the manner herein provided for, and/or such other fire and casualty insurance as the Board of Administration shall determine would give substantially equal or greater protection to the owners and the mortgagees as their respective interests may appear, which said policy or policies shall provide for a separate loss payable endorsement in favor of mortgagees of each apartment, if any;

(c) A policy or policies as specifically hereafter described in these By-Laws insuring the Board of Administration and the owners against any liability to the public or to owners, their invitees, patients, or tenants, arising as an incident to the ownership and/or use of the Project, and including personal liability exposures of the owners. Limits of liability under such insurance shall be not less than [\$300,000] for any one person injured and for any one accident and shall be not less than [\$100,000] for property damage on each occurrence with such limits and coverage to be reviewed at least annually by the Board of Administration and increased in its discretion. Such policies shall be issued on a comprehensive liability basis and shall provide cross liability endorsements wherein the rights of named insureds under the policy or policies shall not be prejudiced with respect of his, her or their actions against another named insured; provided, however, that the Board of Administration by virtue of this admonition does not and shall not be responsible for providing personal liability insurance for any owner with respect to the use of his individual apartment apart from the common elements;

(d) Any necessary workman's compensation insurance required under the laws of the State of Utah;

(e) To the extent deemed advisable by the Board of Administration, the services of a person or firm to manage its affairs (herein called "the Manager") as well as such other personnel as the Board of Administration shall determine to be necessary or proper for the operation and maintenance of the common elements, whether such personnel are employed directly by the Board of Administration or are employed on behalf of the Project by the Manager;

(f) Legal and accounting services necessary or proper in the operation of the common elements or the enforcement of these By-Laws;

(g) A fidelity bond naming the Manager, and such other persons as may be designated by the Board of Administration as principals, and the owners as obligees, for the first year in an amount at least equal to twenty-five percent (25%) of the estimated cash requirements for the operation of the Project as determined pursuant hereto and for each year thereafter in an amount at least equal to twenty-five percent (25%) of the total sum collected through the common expense fund during the preceding year;

(h) Painting, maintenance, repair and all landscaping of the common elements and such furnishings and equipment for the common elements as the Board of Administration shall determine are necessary and proper, and the Board of Administration shall have the exclusive right and the duty to require the same for the common elements; provided, however, that interior finishes of walls, ceilings and floors, plumbing and electrical fixtures and heating and air conditioning systems of each apartment shall be painted, maintained and repaired by the individual owners thereof at their sole cost and expense;

(i) Any other materials, supplies, labor, services, maintenance, repairs, structural alterations, insurance, taxes or assessments which the Board of Administration is required to secure or pay for pursuant to the terms of these by-laws, the master deed or which in its option shall be necessary or proper for the operation of the common elements or for the enforcement of these by-laws; provided, that if any such materials, supplies, labor, services, maintenance, repairs, structural alterations, insurance, taxes or assessments are provided for particular units, the cost thereof shall be specifically assessed to the owners of such units;

(j) Maintenance and repair of any Unit, if such maintenance or repair is reasonably necessary in the discretion of the Board of Administration to protect the common elements or preserve the appearance and value of the Project and the owners of such apartment have failed or refused to perform such maintenance or repair within a reasonable time after written notice of the necessity of such maintenance or repair delivered by the Board of Administration to the Owner. The Board of Administration shall levy a special assessment against the apartment of such owner for the cost of such maintenance or repairs;

(k) The Board of Administration's power hereinabove enumerated shall be limited in that the Board of Administration shall have no authority to acquire and pay for out of the common expense fund, capital additions and improvements (other than for purposes of replacing portions of the common elements, subject to all of the provisions of these by-laws) having a cost in excess of \$5,000 except as expressly provided herein.

ARTICLE XV POWERS OF BOARD OF ADMINISTRATION EXCLUSIVE

The Board of Administration shall have the exclusive right to contract on behalf of the Project for all goods, services and insurance, payment for which is to be made from the common expense fund, and the actions of the Board of Administration shall be through its properly designated and authorized officers.

ARTICLE XVI
ALTERATIONS, ADDITIONS AND IMPROVEMENTS
TO COMMON ELEMENTS

There shall be no structural alterations, capital additions to, or capital improvements of, the common elements requiring an expenditure in excess of \$5,000 for any one such alteration, addition or improvement, (and with only one such alteration, addition or improvement per year) without the prior approval by a vote of owners holding not less than a majority of the basic value of the property.

ARTICLE XVII
ASSESSMENTS FOR COMMON EXPENSES

(a) Annual Budget Estimate. Within thirty (30) days prior to the beginning of each calendar year, the Board of Administration shall estimate the cost of providing the services for which it is obligated under these by-laws during the next ensuing year including a reasonable provision for contingencies and replacements and less any expected income and surplus from the prior year's fund. The estimated cash requirements for the next ensuing year as so determined shall be assessed to the owners in accordance with their percentages of the total basic value of the Project as set forth in the master deed to be paid, as nearly as possible, in monthly installments throughout the year. If the estimated cash requirements should prove inadequate, for any reason, the Board of Administration may, at any time, levy a further assessment, which shall be assessed to the owners in like proportions, unless otherwise provided herein. Each owner shall be obligated to pay assessments made pursuant to this Article to the Board of Administration in equal monthly installments on or before the first day of each month during each such year, or in such other reasonable manner as the Board of Administration may designate.

(b) Expenditure of Common Fund. The funds collected in the manner herein provided shall be expended for the purposes designated herein and for no other.

(c) Non-Waiver. The omission by the Board of Administration, before the expiration of any year, to fix the assessments hereunder for that or the next year, shall not be deemed a waiver or modification in any respect of the provision of these by-laws, or a release of the owner or owners from the obligation to pay the assessments, or any installment thereof for that or any subsequent year, but the assessments fixed for the preceding year shall continue until a new assessment is fixed. Amendments to this Article shall be effective only upon unanimous written consent of the owners and their mortgagees. No owner may exempt himself from liability for his contribution towards the common expenses by waiver of the use or enjoyment of any common element or by abandonment of his unit.

(d) The Board or Administration shall keep detailed, accurate record in chronological order, of the receipts and expenditures affecting the common elements, specifying and itemizing maintenance and repair expenses of the common elements and any other expenses incurred. Records and vouchers authorizing the payment involved shall be available for examination by the owners at convenient hours during weekdays.

EXHIBIT D
(Units, Size, Ownership Interests Common Area, Votes,)

<u>UNIT #</u>	<u>SIZE SQUARE FEET*</u>	<u>OWNERSHIP INTERESTS COMMON AREAS**</u>	<u>VOTES</u>
1	2787	8%	2
2	1809	5%	1
3	1809	5%	1
4	1808	5%	1
5	1808	5%	1
6	1808	5%	1
7	1799	5%	1
8	1801	5%	1
9	1779	5%	1
10	1800	5%	1
11	1800	5%	1
12	1800	5%	1
13	1800	5%	1
14	1800	5%	1
15	1800	5%	1
16	1800	5%	1

17	1800	5%	1
18	1800	5%	1
TOTAL	33,408	100%	19

* Size is estimated

** All current and future units will share in the ownership and maintenance of all common areas.