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Amended and Restated Condominium Declaration for Wasatch Commons Condominiums

A Condominium Project Created Pursuant to the Utah
Condominium Ownership Act

Salt Lake City, Salt Lake County, Utah

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This Amended and Restated Condominium Declaration for Wasatch Commons Condominiums supersedes and replaces the Condominium Declaration for Wasatch Commons Condominiums recorded on October 2, 1998 as Entry Number 7107865, in Book 8114 at Pages 2379 to 2438, except for Pages 2423 to 2434 with the Salt Lake County Recorder and all amendments thereto and prior versions thereof predating the recording of this Declaration (“Original Declaration”). The Original Declaration was made and executed on July 9, 1998 by Wasatch Cohousing, a Utah non-profit corporation, and Wasatch Commons CROWN, L.L.C., a Utah limited liability company, hereinafter collectively referred to as Declarant, for itself, its successors, grantees, and assigns, pursuant to the provisions of the Utah Condominium Ownership Act, Utah Code Annotated Title 57 Chapter 8, as the same now exists and as it may be from time to time amended.

ARTICLE I

RECITALS

At the time of the original filing, Declarant was the sole owner of that certain real property in Salt Lake City, Salt Lake County, Utah which is described in Appendix A hereto and made a part hereof by this reference.

Certain buildings and improvements have been constructed upon said property in accordance with the plans and drawings set forth in the Record of Survey Map filed concurrently with the original filing, consisting of 12 sheets, prepared by Peterson Engineering, Engineers and Surveyors, and certified by David D. Peterson, a registered land surveyor.

By the filing and recording of the Original Declaration and the aforesaid Record of Survey Map, the above-described real property and said buildings and other improvements constructed thereon were submitted to the provisions of the Utah Condominium Ownership Act as a Condominium Project known as WASATCH COMMONS CONDOMINIUMS.

As was the original intention, Declarant has sold the fee title to the individual units contained in said Condominium Project, together with the undivided ownership interests in the Common Areas and Facilities appurtenant thereto, to various purchasers, subject to the covenants, limitations, and restrictions contained herein.

NOW, THEREFORE, for such purposes, Declarant has made in 1998, and subsequent owners have duly amended in 2008, the following Amended and Restated Declaration containing covenants, conditions and restrictions relating to this Condominium Project which, pursuant to the provisions of the Utah Condominium Ownership Act, shall be enforceable equitable servitudes, where reasonable, and shall run with the land.

ARTICLE II

NAME AND DEFINITIONS

- a) **Name:** The name by which this Condominium Project shall be known is Wasatch Commons Condominiums.

- b) Definitions:** The terms used herein shall have the meaning as given them in this Section b) of Article II. The singular, wherever used herein, shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, male or female, shall in all cases be assumed as though in each case fully expressed.
- 1) The Act:** The term “the Act” shall mean and refer to the Utah Condominium Ownership Act, Utah Code Annotated Title 57 Chapter 8, as the same now exists and as it may be from time to time amended.
 - 2) Association:** The terms “Association” or “Association of Unit Owners” or “Wasatch Commons Association” or “Wasatch Commons Condominium Association” shall mean and refer to all of the Unit Owners taken as, or acting as, a group, in view of their respective percentage of undivided interest in the Common Areas and Facilities and otherwise, all in accordance with this Declaration, the Association's Articles of Incorporation, the Association's Bylaws, and any other Rules or Regulations promulgated pursuant thereto.
 - 3) Bylaws:** The term “Bylaws” refers to the Bylaws of the Wasatch Commons Condominium Association recorded as Appendix D to the Original Declaration as Entry No. 7107865, in Book 8114 at Pages 2423 to 2434 with the Salt Lake County Recorder, and any amendments made thereto. Even though the Bylaws were an appendix to the Original Declaration, they remain in full force and effect until duly amended or replaced by an instrument recorded with the Salt Lake County Recorder.
 - 4) Common Areas and Facilities:** The term “Common Areas and Facilities” shall mean and refer to:
 - (a) Land:* The land described in Appendix A hereto;
 - (b) Property Not Included in the Units:* That portion of the Property not specifically included in or as part of the respective Units as herein defined;
 - (c) Infrastructure:* All foundations, columns, girders, beams, supports, main walls, roofs, windows, halls, corridors, stairs, stairways, recreational areas and facilities, yards, gardens, fences, service and parking areas and in general all other apparatus, installations and other parts of the Property necessary or convenient to the existence, maintenance and safety of the Common Areas and Facilities or normally in common use;
 - (d) Specific Designation:* Those areas specifically set forth and designated in the Map as a “Common Area”; and
 - (e) Others:* All Common Areas and Facilities as defined in the Act, the Declaration and/or as designated in the Map whether or not expressly listed herein.
 - 5) Common Expenses:** The words “Common Expenses” shall mean and refer to:
 - (a) Lawful Assessments:* All sums described in the Act, this Declaration, the Bylaws, or in the Rules and Regulations which are lawfully assessed against the Unit Owners or

any of them in accordance with the Act, this Declaration, the Bylaws, or such Rules and Regulations;

(b) Operating Expenses: All expenses of operation, administration, maintenance, repair, and replacement of the Common Areas and Facilities, and all costs of common activities, including but not limited to, such aggregate sum as the Management Committee shall from time to time estimate, in its best judgment, is needed during each year or other appropriate time period to pay all budgeted expenses and other cash requirements arising out of or in connection with operation, administration, maintenance, repair, and/or replacement of the Common Areas and Facilities and the costs of carrying on common activities. The following is not exhaustive.

(1) Costs of operation: all costs and expenses of operation of the Association, all costs of management of the Common Areas and Facilities, all costs of enforcement of the Act, this Declaration, the Bylaws, and the Rules and Regulations, all costs of repair and reconstruction of the Common Areas and Facilities, all costs and expenses of clubhouse or Common House and workshop, and the equipment and furnishings therefor, all cost of community activities for the Association members as defined in the Bylaws and authorized through the budget process, all insurance premiums, all utility services, all wages and salaries, all legal and accounting fees, all management fees, and all other expenses and liabilities incurred by the Management Committee under or by reason of this Declaration, the Bylaws and the Rules and Regulations thereunder;

(2) Payment of prior deficits: the payment of any deficit remaining from any previous year or time period;

(3) Reserve funds: the creation, maintenance or expansion of a reserve or contingency fund for the maintenance, repair and/or replacement of those Common Areas and Facilities that require major maintenance, repair or replacement from time to time, and/or for unforeseen emergencies; and

(4) Others: all other costs and expenses relating to the Project;

(c) Expenses Agreed to be Common Expenses: Expenses agreed upon as Common Expenses by the Association;

(d) Expenses rightfully declared to be Common Expenses: All other expenses declared to be Common Expenses by the Act, this Declaration, the Bylaws, or the Rules and Regulations.

6) Condominium Project: The words “Condominium Project” or sometimes the “Project” shall mean and refer to the entire Property, as defined above, together with all rights, obligations and organizations established by this Declaration.

7) Declarant: The word “Declarant” shall mean Wasatch Cohousing, a Utah non-profit corporation, and Wasatch Commons CROWN, L.L.C., a Utah limited liability company, who made and executed the Original Declaration.

- 8) **Declaration:** The word “Declaration” shall mean this instrument by which Wasatch Commons Condominiums is established as a Condominium Project and any amendments duly made thereto.
- 9) **Management Committee:** The words “Management Committee” shall mean and refer to the governing board of the Association, appointed or elected in accordance with the Declaration, the Articles of Incorporation of the Association, and the Bylaws of the Association. Said Management Committee is charged with and shall have the responsibility and authority to enforce all of the reasonable Rules and Regulations covering the operation and maintenance of the Project.
- 10) **Map:** The word “Map” shall mean and refer to the Record of Survey Map of Wasatch Commons Condominiums recorded herewith by Declarant, and as it may be from time to time amended.
- 11) **Mortgage:** The word “Mortgage” shall mean and include both a mortgage on any Condominium Unit and a deed of trust on any Condominium Unit.
- 12) **Mortgagee:** The word “Mortgagee” shall mean and include both the mortgagee under a mortgage on any Condominium Unit and the beneficiary under a deed of trust on any Condominium Unit.
- 13) **Property:** The word “Property” shall mean and include the land, as more fully described in Article V and in Appendix A hereto, the buildings, all improvements and structures thereon, all easements, rights and appurtenances belonging thereto, and all articles of personal property intended for use in connection therewith.
- 14) **Unit:** The word “Unit” shall mean and refer to one of the Units which is part of the Project and which is designated as a Unit on the Map.
- 15) **Unit Number:** The words “Unit Number” shall mean and refer to the letter, number or combination thereof designating the Unit in the Declaration and in the Map.
- 16) **Unit Owner:** The words “Unit Owner” or “Owner” shall mean the person or persons owning a Unit in Wasatch Commons Condominiums in fee simple and an undivided interest in the fee simple estate of the Common Areas and Facilities as shown in the records of the County Recorder of Salt Lake County, Utah. The term “Unit Owner” or “Owner” shall not mean or include a Mortgagee or a beneficiary or trustee under a deed of trust unless and until such a party has acquired title pursuant to foreclosure or any arrangement or proceeding in lieu thereof.
- 17) **Utility Services:** The words “utility service” shall include, but not be limited to, water, electric power, gas, garbage and sewage disposal services which are not separately metered and billed to individual Units by the utility or other party furnishing such services.
- 18) **Personal Participation:** Wasatch Commons values community interactions and requires each adult resident to participate personally in the maintenance and shaping of the community. If such participation is not forthcoming, the Association has the option to impose monetary fines on the owners of the Units where the non-participating

individuals reside. The amount and scope of participation activities and the level of these fines shall be defined in the Rules and Regulations. It cannot be more than three times the minimum wage per hour of work not performed. Such fines are subject to a monthly cap, and the recipients of these fines have the right to appeal as defined in Section 57-8-37 of the Act, or any amendments made thereto.

19) Rules and Regulations: The Management Committee shall have the power to adopt and establish by resolution, such Project management, operational, administrative, and/or house rules and regulations as it may deem necessary for the maintenance, operation, management, and control of the Project, so long as sixty-seven (67%) of the undivided interest in the Common Areas and Facilities present, in person or by proxy, at a meeting duly called and established for such purpose so consents and approves. If it is impractical to obtain owner consent and approval in order to deal with a situation in a timely manner, the Management Committee may adopt temporary rules which must be reviewed by the Association at the first opportunity, but no longer than three (3) months from the time such temporary rules are established.

20) Roof Decks: Roof Decks are the decks on top of and appurtenant to Units 1, 5, 11, 15, 16, 18, and 20--26.

c) Definitions from the Act: Those definitions contained in Section 57-8-3 of the Act, to the extent they are applicable hereto and not inconsistent herewith, shall be and are hereby incorporated herein by reference and shall have the same effect as if expressly set forth herein and made a part hereof.

ARTICLE III

SUBMISSION TO CONDOMINIUM OWNERSHIP

In 1998, the Declarant submitted the above-described Property, tract of land, buildings, and other improvements constructed thereon together with all appurtenances thereto, to the provisions of the Act as a Condominium Project, and the Declarant also submitted the Original Declaration in accordance with the terms and the provisions of the Act to be construed in accordance therewith. It was the intention of Declarant that the provisions of the Act should apply to the Property and the Project. The submission of the land to the condominium form of ownership remains effective through this Declaration.

ARTICLE IV

COVENANTS TO RUN WITH THE LAND

This Declaration contains covenants, conditions, and restrictions relating to the Property and the Project which are and shall be enforceable equitable servitudes which shall run with the land and be binding upon Declarant, its successors and assigns and upon all Unit Owners or subsequent Unit Owners, and their grantees, mortgagees, successors, heirs, personal representatives, administrators, devisees, lessees, guests, invitees, and assigns.

ARTICLE V

DESCRIPTION OF PROPERTY

- a) **Description of Land:** The land is that tract or parcel in Salt Lake County, Utah more particularly described in Appendix A of this Declaration.
- b) **Description of Improvements:** The buildings containing the Units which comprise the Condominium Project are constructed in accordance with the information contained in the Map. All buildings, with the exception of the clubhouse or Common House, Unit 19, and the Workshop, are of structural insulated panel construction with reinforced concrete foundation. The Project consists of twenty six (26) Condominium Units in a combination of single homes, duplexes, triplexes and fourplexes. The Project includes a combination of covered and open parking areas with private and common storage located in the covered parking areas as well as a common workshop area. The Project further includes a clubhouse or Common House comprising a banquet area and cooking facilities therefor, laundry facilities, and various meeting and function rooms for the use of the Unit Owners and their families, servants, guests and lessees pursuant to the Act, this Declaration, the Bylaws and any other Rules and Regulations.
- c) **Description and Legal Status of Units:** The Map and Appendix B hereto shows the Unit Number of each Unit, its location, its appurtenant Limited Common Areas and Facilities and the Common Areas and Facilities to which it has access. All Units shall be capable of being independently owned, encumbered and conveyed. Each Unit shall include that part of the building containing the Unit which lies within the boundaries of the Unit, which boundary shall be determined in the following manner:
- 1) **Unit Boundaries:** The boundary lines of each Unit are the undecorated and/or unfinished interior surfaces of its perimeter walls, bearing walls, lowermost floor, uppermost ceiling, and the exterior surfaces of windows, window frames, doors, including sliding glass doors, door frames, and trim. Each Unit shall also include both the portions of its building that are not Common Areas and Facilities within such boundary lines and the space so encompassed.
 - 2) **Interior Fixtures:** Without limitation, a Unit shall include any finishing material applied or affixed to the interior surfaces of the interior walls, floors, and ceilings, non-supporting interior walls and all utility pipes, conduits, lines, systems, fixtures and appliances found within the boundary lines of the Unit or servicing only that Unit.
 - 3) **Doors, Windows, HVAC, Lights:** Further without limitation, the following items shall also be deemed part of a Unit: the door to a Roof Deck, balcony, or deck or patio adjacent a Unit; the front entrance door and any other entrance door to the Unit; all windows, window screens and coverings; the interior ceilings and floors within the Unit; all of the heating, air-conditioning and evaporative cooling components, machinery, piping and duct work located within the boundaries of a Unit or serving only one Unit; and all space, interior partitions and ceilings, and any and all other fixtures and improvements, including, without limitation, lighting, communication and other electrical fixtures and

facilities, sinks, bathtubs and other plumbing fixtures and facilities, refrigerators, ovens and any other appliances within the Unit boundaries or serving only one Unit.

- 4) **Service Ducts and Pipes:** In addition, if any chutes, pipes, flues, ducts, conduits, wires or any other apparatus lies partially within and partially outside of the designated boundaries of a Unit, portions thereof serving only that Unit shall be deemed a part of that Unit, while any portions thereof serving more than one Unit or any portion of the Common Areas and Facilities shall be deemed a part of the Common Areas and Facilities.
- d) **Common Areas and Facilities:** Except as provided otherwise in this Declaration, or as provided in the Map, the Common Areas and Facilities shall consist of the areas and facilities described in the definitions and constitute in general all of the parts of the Property except for the Units. Without limiting the generality of the foregoing, the Common Areas and Facilities shall include the following, whether located within the bounds of a Unit or not:
- 1) **Structural Parts:** all structural parts of the buildings including, without limitation, foundations, columns, joists, beams, supports, supporting walls, floors, ceilings, and roofs;
 - 2) **Shared Areas:** driveways, parking areas, common workshops, lawns, shrubs, entrance ways, exterior stairways, service areas, the clubhouse or Common House and all rooms, areas and facilities associated therewith, and any recreation areas with their related facilities;
 - 3) **Infrastructure:** any utility pipe or line or system servicing more than a single Unit, and all ducts, wires, conduits, piping and other accessories used therewith;
 - 4) **Equipment:** all equipment and other personal property which is used in connection with or as a part of the Common Areas and Facilities, including, but not limited to, lawn mowing equipment, gardening equipment, tools, and clubhouse or Common House furnishings and equipment;
 - 5) **Other Property:** all other parts of the Property necessary or convenient to its existence, maintenance and safety, or normally in common use, or which have been designated as Common Areas and Facilities in the Map; and
 - 6) **Replacements:** all repairs, repaired items and replacements of, or relating to, any of the foregoing.
- e) **Limited Common Areas and Facilities:** Limited Common Areas and Facilities mean and include those portions of the Common Areas and Facilities reserved for the use of certain Units to the exclusion of other Units. The Limited Common Areas and Facilities shall be the assigned parking stalls and storage areas as set forth in Appendix B, as well as all balconies and Roof Decks that are immediately adjacent to and contiguous with, and/or otherwise appurtenant to, the Units, and any yard areas, porches, decks and patios as more particularly identified in the Map. The use, occupancy, maintenance and repair of the designated Limited Common Areas and Facilities shall be reserved to its associated Unit and each Unit Owner is hereby granted an irrevocable license to use, occupy, maintain, and repair said Limited Common Areas and Facilities.

ARTICLE VI

STATEMENT OF PURPOSE AND RESTRICTIONS ON USE

- a) **Purpose:** The purpose of the Condominium Project is to provide residential housing space for Unit Owners, their families, servants, guests, and lessees and to provide parking, gardening, and recreational space and facilities for use in connection therewith, all in accordance with the provisions of the Act. Any restrictions and duties relating to Unit Owners pursuant to this Declaration, Bylaws, and Rules and Regulations shall likewise apply to their families, servants, guests, invitees, lessees, and any and all other occupants or visitors of the Units and/or the Project.
- b) **Restrictions:** The Units, Limited Common Areas and Facilities and Common Areas and Facilities shall be used and occupied as hereinafter set forth:
- 1) **Units are Private Residences:** Each of the Units shall be occupied only by the Unit Owner(s), their family, servants, guests, or lessees as a residence. Without the prior written consent of the Management Committee, no Unit shall at any time be occupied by more than two persons, including children, per bedroom of such Unit. The Common Areas and Facilities shall be used only for the purpose for which they are intended in the furnishing of services and facilities for the enjoyment of the Unit Owners, their families, servants, guests, or lessees.
 - 2) **Compliance with Laws and Insurance Coverage:** Nothing shall be done or kept in any Unit, in the Limited Common Areas and Facilities, or in the Common Areas and Facilities which will increase the rate of insurance on the buildings or contents thereof beyond that customarily applicable for residential use, or will result in the cancellation of insurance on the buildings or the contents thereof, without the prior written consent of the Management Committee. No Unit Owner shall permit anything to be done or kept in his /her Unit, in the Limited Common Areas and Facilities, or in the Common Areas and Facilities which is in violation of any law, ordinance, or regulation of any governmental authority. All Units shall have functioning smoke detectors, carbon monoxide detectors, and fire extinguishers.
 - 3) **Exterior Attachments:** No Unit Owner shall cause or permit anything (including, but not limited to, an awning, canopy, shutter, solar panel, or telecommunication antenna) to hang, to be displayed, be visible or otherwise be placed on the exterior walls or roof of any building or any part thereof, or on the outside of windows or doors, without the prior written consent of the Management Committee or its designee. The review of antenna installation plans must be directed by guidelines in the Bylaws or in specific Rules and Regulations which shall be in accordance with Code of Federal Regulations, Part 1, Subpart S, Section 1.4000 of Title 47, the so-called OTARD ruling, and applicable FCC rules.
 - 4) **Nuisance:** No noxious or offensive activity or nuisance shall be carried on in any Unit, Limited Common Areas and Facilities associated therewith, or in the Common Areas and Facilities, nor shall anything be done therein, either willfully or negligently, which may be or may become an annoyance or nuisance to the other Unit Owners or occupants.

- 5) **Structural Integrity:** Nothing shall be done in, on, or to any Unit or in, on, or to the Limited Common Areas and Facilities, and/or the Common Areas and Facilities which would impair the structural integrity of the buildings or any part thereof or which would structurally change, alter, or damage the buildings or any part thereof except with the prior written consent of the Management Committee or its designee as is otherwise expressly provided for herein.
- 6) **Assigned Parking:** Each assigned parking stall shall be used by the Unit Owner(s), their family, servants, guests, or the Association's or Association resident's lessees only for the parking or storage of operable and currently registered motor vehicles, or such other items as the Management Committee or its designee may approve a priori in writing.
- 6A) **Vehicles Leaking Fluids Are Not Allowed on the Property:** No vehicle is permitted on the Condominium Project which leaks oil, brake fluid, transmission fluid, or other fluids.
- 7) **No Storage in Common Areas:** A Unit Owner shall not obstruct the Common Areas and Facilities. A Unit Owner shall not place or store anything within the Common Areas and Facilities without the prior written consent of the Management Committee or its designee except in the Limited Common Areas and Facilities appurtenant to his/her Unit specifically designated or approved by the Management Committee or its designee for storage of the items in question.
- 7A) **Central Path Area Reinforced and Clear for Emergency Access:** The ground next to the central pathway is reinforced with buried "grassy pavers" to support emergency vehicles driving across when needed. No obstacles must be placed on this area, the vegetation must be kept low, and the pavers themselves must not be removed. In particular, for-sale signs must not be placed along the central pathway.
- 8) **Cleanliness:** A Unit Owner shall keep his/her yard, patio, balcony, and deck clean and slightly at all times and shall not use said yard, patio, balcony, and deck for storage purposes except with the prior written consent of the Management Committee or its designee.
- 9) **Alteration of Limited Common Areas:** Except for the normal or approved use or maintenance thereof, a Unit Owner shall not alter, construct in, or remove anything from the Limited Common Areas and Facilities or Common Areas and Facilities, except with the prior written consent of the Management Committee or its designee.
- 10) **Rules and Regulations are Binding:** A Unit Owner shall not violate any of the Rules and Regulations for the use of Units, Common Areas and Facilities, or Limited Common Areas and Facilities adopted by the Management Committee on behalf of the Association following the procedures defined in Article II b) 19).
- 11) **No Water Furniture:** Water beds, chairs, spas, hot-tubs, fountains, pools, or other water furniture are not permitted in any Unit. Nothing shall be done to store, impound, or detain water, or utilize recreational or ornamental plumbing mechanisms, except for the purposes of culinary water usage or for small fountains and/or aquariums. Nothing in the section shall be construed to limit a Unit Owner's ability to install and utilize

reasonably sized spas, hot-tubs, fountains, or pools as part of the bathroom fixtures in a Unit.

ARTICLE VII

OWNERSHIP AND USE

- a) **Ownership of a Unit:** Except with respect to any of the Common Areas and Facilities located within the bounds of a Unit, each Unit Owner shall be entitled to the exclusive ownership and possession of his/her Unit and to the ownership of an undivided interest in the Common Areas and Facilities in the percentage expressed in Appendix B.
- b) **Nature of and Restrictions on Ownership and Use:** Each Unit Owner shall have and enjoy the rights and privileges of fee simple ownership of his/her Unit. Except as otherwise provided herein, there shall be no requirements concerning who may own Units, it being intended that they may and shall be owned as any other property rights by persons, corporations, partnerships, or trusts or in the form of common tenancy. The Unit Owners may lease or rent their Units with their appurtenant rights subject to terms and conditions described herein.
- c) **Prohibition against Subdivision of Unit:** Except as provided for in Article IX below, no Unit Owner, by deed, plat or otherwise, shall subdivide or in any manner cause his/her Unit to be separated into physical tracts or parcels smaller than the whole Unit as shown on the Map.
- d) **Ownership of Common Areas and Facilities:** The Common Areas and Facilities contained in the Project are described and identified in Article V, Section d) of this Declaration. Said Common Areas and Facilities shall be owned by the Unit Owners as tenants in common. No percentage of undivided ownership shall be separated from the Unit to which it is appurtenant; and, even though not specifically mentioned in the instrument of transfer, such a percentage of undivided ownership interest shall automatically accompany the transfer of the Unit to which it relates. The Common Areas and Facilities shall be used only in a manner which is consistent with their community nature and with the use restrictions applicable to the Units contained in the Project. The percentage of undivided ownership in the Common Areas and Facilities shall be as set forth in Section f) hereinbelow and in Appendix B attached hereto. Said percentage of undivided ownership shall apply and be for all purposes, including voting and the allocation of Common Expense assessments among the Unit Owners.
- e) **Use of Common Areas and Facilities:** Except with respect to Limited Common Areas and Facilities, each Unit Owner may use the Common Areas and Facilities in accordance with the purpose for which they are intended, but subject to the Declaration, the Bylaws and all other Rules and Regulations. This right of use shall be appurtenant to and run with each Unit.
- f) **Computation of Undivided Interest:** Each Unit's percentage of undivided ownership interest in the Common Areas and Facilities is computed on the basis of a "par value" consisting of two parts. Half of the total par value is allocated in equal parts to all Units, and the other half is proportional to the size of the Units with certain adjustments, as computed in Appendix B. Said ownership interest is appurtenant to each Unit. A Unit Owner's percentage of ownership

interest in the Common Areas and Facilities shall apply for all purposes, including voting and the assessment of Common Expenses.

- g) Mortgage Information:** Each Unit Owner shall, within thirty (30) days of purchasing his/her Unit, provide to the Management Committee the name and contact information of all lenders holding a Mortgage or similar encumbrance against the Unit, regardless of whether the lender is a banking institution, a private party, a public entity, an individual, or of any other character or nature. All persons who are current Unit Owners at the time that these provisions are adopted shall provide the foregoing information to the Management Committee within thirty (30) days of adoption of these provisions.

ARTICLE VIII

LEASING OR RENTAL OF UNITS

- a) Tenants Must Comply with Declaration:** All lessees, tenants, invitees, and other non-Unit Owner occupants of a Unit shall comply in all respects with the provisions of the Declaration, Bylaws, and all Rules and Regulations. All leases, rental, and other agreements shall be in writing and so clearly state, as well as that failure of the lessee, tenant or other occupant to comply with the terms of said documents shall be a default under the lease, rental and/or any other agreement and such default, if not cured, shall give the Landlord or the Association authority to evict the tenant.
- b) Tenant Information and Obligations:** A Unit Owner desiring to lease or rent a Unit for any amount or period of time, shall disclose that fact in writing to the Association at least ten (10) days before presenting a lease to a potential lessee or renter of the Unit and, at the same time, shall supply the Association with a copy of his/her Salt Lake City rental business license and a copy of the lease form (which need not include the name of the prospective new tenant) for the Association's review of the form's compliance with this Article VII of the Declaration. Together with the lease, the lessee shall also sign a lease addendum with the Association obligating him or her to follow the Declaration, Bylaws, and all other Rules and Regulations of the Association. The Association will receive and retain copies of all signed leases. The Association will also at that time require that the prospective lessee or renter, before executing a lease for a Unit in the Condominium Project, understand the operation of the Condominium Project and therefore meet with the Management Committee or its designee, tour the Condominium Project, and receive such information concerning the operation of the Condominium Project and the obligations of a lessee of a Unit therein as the Association determines is appropriate.
- c) Recourse for Tenant's Noncompliance:** If the Association determines that a lessee, tenant or other non-Unit Owner occupant has failed to comply with any of the conditions of any of the documents discussed in section a) hereinabove, the Association may, at its option and without waiving any rights if it does not, take the following actions:
- 1) Notification of Unit Owner:** The Association may notify the Unit Owner as provided in Article XXVII advising him of the alleged violation by the lessee, tenant, or other occupant.

- 2) Resolution by Unit Owner:** The Unit Owner would then have twenty (20) days after receipt of such notice to investigate and correct the alleged breach by the lessee, tenant, or other occupant and correct the alleged breach, advise the Association that a violation has not occurred, or otherwise amicably settle the situation with all concerned.
- 3) Eviction of Tenant:** If after twenty (20) days the Association believes that the alleged breach is not cured, may be repeated, or its solution has not been satisfactorily settled on, it may institute on its own behalf or derivatively by the Unit Owner on behalf of the Association an action for eviction against the lessee, tenant or other occupant of the Unit and simultaneously, or separately, one for money damages against the same and the Unit Owner for breach of the condition(s) in question. The relief provided for in this section may be by summary proceedings and the Association may hold any or all of the parties involved liable for any and all damages caused by the lessee, tenant, or other occupant of the Unit in question or by any of their family, servants, guests, or invitees.
- d) Tenant to Pay for Unit Owner's Arrears:** If a Unit Owner is in arrears to the Association for any Common Expense, other assessment(s), fine(s), and/or any other fees or costs, the Association may give written notice of the arrearage to the lessee, tenant, or other occupant occupying the Unit in question and the lessee, tenant, or other occupant shall, after receiving the notice, deduct from his/her rental or lease payments due to the Unit Owner the arrearage and future assessment(s) and fine(s) as they fall due and pay them to the Association. These deductions shall not constitute a breach of the lease, rental, or other agreement by the lessee, tenant, or other occupant of the Unit in question.
- e) Long -Term Rentals:** No Unit Owner is permitted to lease or rent his/her Unit for transient or hotel purposes or for an initial term of less than six (6) months without prior, written approval from the Management Committee. Notwithstanding these restrictions, it is permitted to time the lease(s) in such a way that they end at a time that is appropriate to the Lessee's or Unit Owner's needs, such as the end of the school year. Rentals for one continuous period of more than twelve months require the prior written permission of the Management Committee. No Unit Owner is permitted to list his/her Unit on Air BNB, VRBO, or any other similar short term rental or exchange website or service without obtaining prior, written approval from the Management Committee. The Management Committee shall review the status of all rentals on at least an annual basis to determine whether the rental is still authorized.
- f) Rentals May be Regulated:** Without prior written approval by the Management Committee, newly purchased Units cannot be rented to new tenants until being occupied by the new Unit Owner for at least two years. Notwithstanding the foregoing, any Unit Owner who already lives in a Unit in the Association at the time of purchasing a second Unit in the Association shall be exempt from this provision as to his/her second Unit. No member of the Association shall be permitted to have any of the following types of interest in more than two (2) Units simultaneously:
- 1)** A vested ownership interest, meaning full ownership or partial-ownership of a unit by virtue of a deed or a substantially similar legal instrument recorded on county records and declaring the person to be a full or partial-owner of the unit;

- 2) A lender-related interest, meaning a financial interest in the unit by virtue of a loan given by the person to the unit owner for the purpose of funding any obligations owed in relation to the unit, whether such loan is secured or unsecured;
- 3) An estate-related interest, meaning that the person is a party in an estate-planning instrument that is the owner of record of the unit, whether the person is a trustee, successor trustee, trustor, beneficiary, or executor named in such estate-planning instrument, a personal representative of the estate that is the owner of record of the unit, or any other substantially similar party in relation to such estate or estate-planning instrument;
- 4) A family-related interest, meaning that the person is a parent, child, sibling, aunt, uncle, niece, nephew, or spouse of the unit owner;
- 5) A business-related interest, meaning that the person is an officer, director, a controlling member, or a voting member of a business entity that is the record owner of the unit.

A member may not engage in tactics to avoid or obstruct the requirements of this section.

- g) **Possible Requirements:** Unit Owners whose Units are for rent must comply with the Salt Lake City requirement that they or their property manager or management company have a business license. The Association may require that landlords also participate in Salt Lake City's Good Landlord Program or similar programs, or that the rental of Units be conducted through the Association or a designated management company, or may require that all lease agreements be reviewed and approved by the Association or the management company, or may require that any tenants be screened and approved by the Association or the manager or management company prior to renting the Unit. Along with these requirements, the Association has to define when and how the required information has to be submitted, and how long the Association has to give such an approval. The approval of the Association or the management company shall not be unreasonably withheld.
- h) **Written Lease Agreement:** Prior to renting any Unit, the Unit Owner and tenant shall execute a written lease agreement which shall include the following provisions:
- 1) **Condominium Rules:** The tenant shall agree to comply with all of the terms and conditions of the Condominium Declaration, Bylaws, and Rules and Regulations;
 - 2) **Nuisance:** The tenant shall agree not to allow or commit any nuisance, waste, unlawful, or illegal act upon the premises; and
 - 3) **Association is Third Party in Rental Agreements:** The Unit Owner and the tenant shall acknowledge that the Association is an intended third party beneficiary of the lease agreement, that the Association shall have the right to enforce compliance with the Condominium Declaration, Bylaws, and Rules and Regulations and to abate any nuisance, waste, unlawful or illegal activity upon the premises, and that the Association shall be entitled to exercise all of the Owner's rights and remedies under the lease agreement to do so.
 - 4) **Management Committee to Know Names of All Tenants:** Prior to a tenant's occupancy of a Unit, the Unit Owner must provide to the secretary or, if the secretary is unavailable,

at least one other member of the Management Committee the name, address and telephone number of the tenant(s) and a copy of the written lease agreement.

- 5) **Enforcement of Declaration, Bylaws, and Rules and Regulations:** The Association shall have the right and the obligation to enforce compliance with the Condominium Declaration, Bylaws, and Rules and Regulations against any Unit Owner and/or occupant of any Condominium Unit, and shall have all rights and remedies as a third party beneficiary under any lease agreement to enforce such compliance.
 - 6) **Enforcement of Rules and Regulations:** Following the procedure defined in Article II b) 19) of the Condominium Declaration, the Association may make rules and regulations governing the care, maintenance and use of the Condominium Project. The Association may take any judicial or other action against any Unit Owner and/or occupant of a Unit to enforce compliance with such rules and regulations or other obligations of a Unit Owner and/or occupant of a Unit, or to obtain damages for noncompliance therewith, all as permitted by law. In the event of such judicial or other action, the Association shall be entitled to recover its costs, including reasonable attorney's fees, from the offending Unit Owner and/or occupant.
 - 7) **Association not Landlord:** Nothing in this Article VIII shall be construed to impose upon the Association the duties, responsibilities, or liabilities of a landlord under Utah law.
- i) **Landlord Insurance:** Any Unit Owner leasing his/her Unit shall be required to maintain landlord insurance of at least fifty-thousand dollars (\$50,000) for the entire duration of the lease.

ARTICLE IX

COMBINATION OR SEPARATION OF UNITS

- a) **Combination Possible and Reversible:** An Owner(s) of one or of two or more adjoining Units or of adjoining Units previously combined, shall have the right, upon the approval of the Mortgagees of said Unit(s) and from Unit Owners representing at least sixty-seven percent (67%) of the entire undivided interest in the Common Areas and Facilities, to combine or separate one or two or more adjoining Units or portions thereof and to alter or amend the Declaration and Map to reflect such combination or separation.
- b) **Legal Costs Borne by Owner of Combined Units:** Such amendments may be accomplished by the Unit Owner(s) recording an amendment or amendments to this Declaration, together with an amended Map or containing the same information with respect to the altered Units as required in the initial Declaration and Map with respect to the initial Units. All costs and expenses required in such amendments shall be borne by the Unit Owner(s) desiring such combination or separation.
- c) **Legal Assistance for Management Committee:** All such amendments to the Declaration and Map must be approved by attorneys employed by the Management Committee to insure the continuing legality of the Declaration and the Map. The cost of such review by the attorneys shall be borne by the Unit Owner(s) wishing to combine or separate the Units.

- d) **Changes in Undivided Interest:** Any amendment of the Declaration or Map pursuant to this Article IX shall reflect the changes occasioned by the alteration. Such changes shall include a change in the percentage of undivided interest in the Common Areas and Facilities which are appurtenant to the Unit or Units involved in the alterations. The remaining combined Unit, if two or more Units are totally combined, will acquire the total of the percentage of undivided interest in the Common Areas and Facilities appurtenant to the Units that are combined as set forth in Appendix B. If a portion of one Unit is combined with another, the resulting Units shall acquire a proportionate percentage of the total undivided interest in the Common Areas and Facilities of the Units involved in the combination on the basis of area remaining in and between the respective, combined Units. If a Unit or a previously combined Unit is separated into two Units the resulting Units shall acquire a proportionate percentage of the total undivided interest in the Common Areas and Facilities of the original Unit or combined Unit on the basis of floor area in the two resulting Units. The percentage of undivided interest in the Common Areas and Facilities appurtenant to all other Units shall not be changed with respect to any combination or separation unless such a change is consented to and approved by the Management Committee and by at least sixty-seven percent (67%) of the entire undivided ownership interests in the Common Areas and Facilities.

ARTICLE X

ASSOCIATION OF UNIT OWNERS AND MANAGEMENT

- a) **Wasatch Commons Condominium Association:** The persons or entities who are at the time of reference the Unit Owners constitute an incorporated association which is a legal entity, the characteristics and nature of which are determined by the Act, the Declaration, its Articles of Incorporation which are enclosed herewith as Appendix C, its Bylaws which are enclosed herewith as Appendix D and any other Rules or Regulations promulgated pursuant thereto. The name in which contracts shall be entered into; title to property shall be acquired, held, dealt in and disposed of; bank accounts shall be opened; and suits shall be brought and defended by the Management Committee or officers thereof on behalf of and as agents for the Unit Owners in the manner specified by the Act, this Declaration, the Articles of Incorporation or the Bylaws is: "Wasatch Commons Condominium Association", an incorporated Association of Unit Owners under the Utah Condominium Ownership Act defined above as simply "the Act" and the Utah Revised Non-Profit Corporation Act.
- b) **Management Committee:** The management and maintenance of the Property and the business, property, and affairs of the Wasatch Commons Association shall be managed by a Management Committee consisting of five (5) members who shall be Unit Owners. The Management Committee shall be elected as provided for in the Bylaws. All agreements and determinations with respect to the Property lawfully made or entered into by the Management Committee shall be binding upon all of the Unit Owners and their successors and assigns.
- c) **Management Committee Rights and Duties:** The Management Committee shall have all the powers, duties, and responsibilities as are now or may hereafter be provided by the Act, Utah

Revised Nonprofit Corporation Act, this Declaration, and Bylaws, including, but not limited to, the following:

- 1) **Enforcement of Rules and Regulations:** To enforce all Rules and Regulations covering the operation and maintenance of the Property, as adopted by the Management Committee on behalf of the Association following the procedures defined in Article II b) 19) including by assessing fines for violations of the same.
- 2) **Hire professionals:** As more fully set forth below in Section d) of this Article X, to engage the services of a manager or managing company, accountants, attorneys, or other employees or agents and to pay to said persons a reasonable compensation therefor; provided, however, that any management agreement may be terminable by the Management Committee for cause upon thirty (30) days written notice and that the term of any said management agreement may not exceed one year, although it may be renewable by agreement for successive one-year periods.
- 3) **Property manager for Common Areas:** To operate, maintain, repair, improve and replace the Common Areas and Facilities, including the entering into of agreements for the use and maintenance of the Common Areas and Facilities and adjacent, contiguous property for the benefit of the Association.
- 4) **Pay bills:** To determine and pay the Common Expenses.
- 5) **Collect dues:** To assess and collect the proportionate share of Common Expenses from the Unit Owners.
- 5a) **Enforce the Participation Requirement:** Keep records of the personal participation as defined in Article II b) 18) and, if necessary, assess fines for non-participation.
- 6) **Contracts:** To enter into contracts, deeds, leases, and/or other written instruments or documents and to authorize the execution and delivery thereof by the appropriate officers.
- 7) **Bank accounts:** To open bank accounts on behalf of the Association and to designate the signatories therefor.
- 8) **Property ownership:** To purchase, hold, sell, convey, mortgage, or lease any one or more Units in the name of the Association or its designee.
- 9) **Litigation:** To bring, prosecute, and settle litigation for itself, the Association, and the Property, provided that it shall make no settlement which results in a liability against the Management Committee, the Association, or the Property in excess of \$5,000 without the prior consent and approval from at least fifty-one percent (51%) of the entire undivided ownership interests in the Common Areas and Facilities.
- 10) **Insurance:** To obtain insurance for itself (Directors and Officers coverage) or the Association with respect to the Units and the Common Areas and Facilities, as well as workmen's compensation insurance.
- 11) **Repair damage to property:** To repair or restore the Property following damage or destruction in keeping with the provisions set forth in Article XIX, or following a

permanent taking by the power or powers in the nature of eminent domain or by an action or deed in lieu of condemnation, not resulting in the removal of the Property from the provisions of the Act.

- 12) Equipment:** To own, purchase, or lease, hold and sell or otherwise dispose of, on behalf of the Unit Owners, items of personal property necessary to or convenient in the management of the business and affairs of the Association and the Management Committee and in the operation of the Property, including without limitation furniture, furnishings, fixtures, maintenance equipment, appliances, and office supplies.
 - 13) Bookkeeping:** To keep adequate books and records, for instance ownership records as set forth in Article XI a).
 - 14) Other:** To do all other acts necessary for the operation and maintenance of the Property, including the maintenance and repair of any Unit if the same is necessary to protect or preserve the Property.
- d) Management Committee Delegation:** The Management Committee, after obtaining consent and approval from at least sixty-seven percent (67%) of the undivided interests in the Common Areas and Facilities present, in person or by proxy, at a meeting duly called and established for such purpose, may delegate to a manager or managing company all of its foregoing powers, duties and responsibilities referred to in this Article X, Section c) above except: the final determination of Common Expenses, budgets and assessments based thereon; the promulgation of Rules and Regulations; the power to enter into any contract or debt instrument involving more than \$5,000 in any one fiscal year; the opening of bank accounts; the power to purchase, hold, sell, convey, mortgage, or lease any Units in the name of the Association or to bring, prosecute and settle litigation. All such reserved actions will need the advice and affirmative consent and approval of at least a sixty-seven percent (67%) of the undivided interests in the Common Areas and Facilities present, in person or by proxy, at a meeting duly called and established for such purpose.
- e) Officer Liability:** Members of the Management Committee and the members, officers and any assistant officer, agents and employees of the Association 1) shall not be liable to the Unit Owners as a result of their activities as such for any mistake of judgment, negligence or otherwise, except for their own willful misconduct or bad faith; 2) shall have no personal liability in contract to a Unit Owner or any other person or entity under any agreement, instrument or transaction entered into by them on behalf of the Association in their capacity as such; 3) shall have no personal liability in tort to any Unit Owner or any person or entity direct or imputed, by virtue of acts performed by them, except for their own willful misconduct or bad faith, or acts performed for them in their capacity as such; and 4) shall have no personal liability arising out of the use, misuse or condition of the Property, which might in any way be assessed against or imputed to them as a result or by virtue of their capacity as such.
- f) Indemnification of Management Committee:** The Unit Owners shall indemnify and hold harmless, any person, his/her heirs and personal representatives, from and against all personal liability and all expenses including reasonable attorney's fees, incurred or imposed,

or arising out or in settlement of any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative instituted by any one or more Unit Owners, or any other persons or entities, to which he shall be or shall be threatened to be made a party by reason of the fact that he is or was a member of the Management Committee, any other Association committee or an officer or assistant officer, member, agent or employee of the Association, other than to the extent, if any, that such liability or expense shall be attributable to his/her willful misconduct or bad faith, provided, in the case of any settlement, that the Management Committee shall have approved the settlement, which approval is not to be unreasonably withheld. Such right of indemnification shall not be deemed exclusive of any other rights to which such person may be entitled as a matter of law or agreement or vote of Unit Owners or of the Management Committee, or otherwise. The indemnification by the Unit Owners as contained herein shall be paid for by the Management Committee on behalf of the Unit Owners and shall constitute a Common Expense and shall be assessed and collectible as such.

- g) Rights of Association:** The Association may exercise any right or privilege given to it expressly by the Declaration, Bylaws or by law, and every other right or privilege reasonably implied from the existence of any such right or privilege given to it therein or reasonably necessary to effectuate any such right or privilege.

ARTICLE XI

CHANGES IN UNIT OWNERSHIP

- a) Management Committee to Keep Ownership Records:** The Management Committee shall maintain up-to-date records showing the name of each person who is a Unit Owner, the address of such person, and the Unit which is owned by such person. In the event of any transfer of a fee or undivided fee interest in a Unit, either the transferor or transferee shall furnish the Management Committee with evidence establishing that the transfer has occurred and that the Deed or other instrument accomplishing the transfer is of record in the office of the County Recorder of Salt Lake County, Utah. The Management Committee may for all purposes act and rely on the information concerning Owners and Unit ownership which is thus acquired by it or, at its option, the Management Committee may act and rely on current ownership information respecting any Unit or Units which is obtained from the office of the County Recorder of Salt Lake County, Utah. The address of a Unit Owner shall be deemed to be the address of the Unit owned by such person unless the Management Committee is otherwise advised in writing by the Unit Owner. The Unit Owner has responsibility to inform the Management Committee of any address changes. As necessary hereunder, the Association shall notify each insurance company that has issued an insurance policy under Article XX of the name and address of a new Unit Owner and request that the new Unit Owner be made a named insured under such policy.
- b) Information for Prospective Purchasers:** In order that prospective purchasers of Units understand the operation of the Condominium Project before purchasing a Unit, the Management Committee will require that any prospective purchaser, before executing a non-rescindable purchase agreement for a Unit, meet with the Management Committee or its designee, tour the Condominium Project and receive such information concerning the

operation of the Condominium Project and the obligations of being a member of the Association as the Management Committee determines is appropriate, in addition to receiving the information required by the Act. At least two weeks before closing of the sale or other transfer of a Unit, the Owner of that Unit shall notify the Management Committee in writing of 1) the Unit being sold; 2) the name and address of the purchaser, the closing agent, and the title insurance company insuring the purchaser's interest; and 3) the expected closing date. The Management Committee shall have the right to notify the purchaser, the title insurance company, and the closing agent of the amount of unpaid assessments and any other charges, fines, costs, and/or fees outstanding against the Unit, whether or not such information is requested. Promptly upon the conveyance of a Unit, the new Unit Owner shall notify the Association of the date of the conveyance and of that Unit Owner's name and address.

- c) **Federal Fair Housing Applies:** All Unit sales and any and all other changes of ownership and/or occupancy of the Units in the Condominium Project are subject to the Federal Fair Housing Act which makes it illegal to discriminate on the basis of any preference, limitation, or discrimination because of race, color, religion, sex, handicap, familial status, or national origin, or intention to make any such preference, limitation or discrimination.

ARTICLE XII

VOTING – MULTIPLE OWNERSHIP

As required by the Act, the vote attributable to and exercisable in connection with a Unit shall be the percentage of undivided ownership interest in the Common Areas and Facilities which is appurtenant to such Unit. In the event there is more than one Owner of a particular Unit, the vote relating to such a Unit shall be exercised as such Owners may determine among themselves. A vote cast at any meeting by any of such Owners shall be conclusively presumed to be the vote attributable to the Unit concerned unless an objection is immediately made by another Owner of the same Unit. In the event such an objection is made, the vote involved shall not be counted for any purpose whatsoever other than to determine whether a quorum exists.

ARTICLE XIII

MAINTENANCE OBLIGATIONS OF ASSOCIATION AND UNIT OWNERS

- a) **Maintenance of Common Areas and Facilities:** The maintenance, alteration, replacement, and repair of the Common Areas and Facilities shall be the responsibility of the Management Committee and the cost thereof shall be a Common Expense. The Management Committee, by way of other appropriate special committees or otherwise, shall provide for such maintenance and operation of the Common Areas and Facilities as may be reasonably necessary to keep them clean, functional, attractive, and generally in good condition and repair. The Management Committee shall also maintain, alter, replace, and repair all roads, parking and storage areas and walkways and conduits, ducts, plumbing and wiring and other facilities for the furnishing of heat, gas, light, power, air conditioning, water, and sewer contained in the portions of the Units that service part or parts of the Property other than the Unit in which they are contained. All incidental damages caused to a Unit by the

maintenance, alteration, replacement and repair of the Common Areas and Facilities or utility services shall be repaired promptly as a Common Expense.

- b) Maintenance of Units is Owner's Responsibility:** Each Owner of a Unit at his/her own expense shall keep the interior of such Unit and its equipment and appurtenances in good order, condition, and repair and in a clean and sanitary condition, and shall do all redecorating and painting which may at any time be necessary to maintain the good appearance of such Unit. Except to the extent that the Management Committee on behalf of all Unit Owners is protected by insurance against such injury, the Unit Owner shall repair all injury or damages to the Unit, Common Area, building or buildings caused by the act, negligence, or carelessness of the Unit Owner or that of any tenant or subtenant or any member of the Unit Owner's family or of the family of any tenant or subtenant or any agent, employee, or guest of the Unit Owner or his/her tenant or subtenant and all such repairs, redecorating and painting shall be of quality and kind equal to the original work. In addition to decorating and keeping the interior of the Unit in good repair, the Unit Owner shall be responsible for the maintenance and/or replacement of any heating, cooling and hot water equipment, and all parts and piping therefor, plumbing, lighting and communications fixtures and all parts and piping and conduits therefor and all appliances that may be in or used exclusively by his/her Unit.
- c) Unit Owners Responsible for their Limited Common Areas:** Each Unit Owner shall be entitled to the exclusive use and possession of his/her Unit and of the Limited Common Areas and Facilities appurtenant to his/her Unit, and shall be responsible for the maintenance, upkeep, repair, and replacement of the same; provided, however, that without the written permission of the Management Committee, or the appropriate architectural review committee, first had and obtained, a Unit Owner shall not make or permit to be made any structural additions, alterations or improvements in or to the Unit and/or any additions, alterations or improvements in or to the exterior of the buildings and/or in or to the Limited Common Areas and Facilities, and shall not paint or decorate any portion of the exterior of the Unit or of the building or parts or portions such as doors, windows and trim thereof in which the Unit is located. Repairs of the Roof Decks, however, are the responsibility of the Association despite being Limited Common Areas, because of the critical interdependence between the deck and the flat roof on which it sits. If a Roof Deck and/or any portion of the roofing for a Unit needs repair, the Unit Owner has the responsibility to notify the Management Committee immediately.
- d) Approval for Additions:** The Management Committee, or the appropriate architectural review committee if set up by the Management Committee, shall be obligated to answer any written request by a Unit Owner for approval of a proposed structural addition, alteration or improvement, by painting or otherwise, to or in such Unit Owner's Unit or Limited Common Areas and Facilities within 45 days after such request and failure to do so within the stipulated time shall constitute a consent by the Management Committee to the proposed structural addition, alteration or improvement. If any application to any governmental authority for a permit to make any such structural addition, alteration or improvement in or to any Unit requires execution by the Association, and provided that consent has been given by the

Management Committee, then the application shall be executed on behalf of the Association by the Management Committee, without, however, incurring any liability on the part of the Management Committee or the Association to any contractor, subcontractor or vendor on account of such addition, alteration or improvement, or to any person having claim for injury to person or damage to property arising therefrom.

e) Table of Maintenance Obligations: As described above, maintenance obligations shall be divided as depicted in the following table. This chart is not intended to describe or encompass all maintenance functions or to delineate all respective responsibilities between Homeowners and the Association. If there is any conflict between section a through d, above, and this section, section a through d shall govern. Obligations listed in the “Association” column shall be administered by the Management Committee. The term “COA Buildings” as used in the following table refers to the common house, the common garage/workshop, and common carports.

Item	Unit Owner’s Obligations	Association’s Obligations
Landscaping, grounds and other improvements outside the building foundations	Upkeep and maintenance of all yard areas marked as “limited common area” on the plat Map, which includes the private areas around the Unit	Upkeep and maintenance of all other landscaped grounds not assigned to the Unit Owners
Patios	Routine cleaning of the individual Unit’s patio; Patios must be kept neat and clean at all times	Routine cleaning of the common house patio
Roof Decks (13 units)		Routine cleaning
Trash and Recycling Enclosures		All repair and painting
Fences	All repair and painting of all fencing serving the Unit	
Roof, foundations, exterior walls of all buildings	Repair of any holes resulting from solar panels installed by or for the Unit Owner.	All maintenance and repairs other than holes caused by solar panels installed by or for the Unit Owner.
Windows	Routine cleaning, repair of glass, and repair of screens for all windows belonging to the Unit	Exterior caulking and frames of all windows
Exterior Doors	Repair and care of all doors belonging to the Unit	Repair and care of all doors belonging to COA buildings
Electrical systems and components	All maintenance, repair, and replacement of all systems serving only the one Unit	All maintenance, repair, and replacement of all systems serving COA Buildings or multiple Units
Cable components	All maintenance, repair, and replacement of all systems serving only the one Unit	All maintenance, repair, and replacement of all systems serving COA Buildings

Heating and Cooling systems (includes swamp coolers)	All maintenance, repair, and replacement of all components systems serving only the one Unit	All maintenance, repair, and replacement of all components serving COA Buildings
Plumbing, sewage and components	All maintenance, repair, and replacement of all components serving only the one Unit	All maintenance, repair, and replacement of all systems & main lines not assigned to individual Unit owners
Solar panels	The maintenance, repair, and replacement of all portions or the proportionate share of any system serving the Unit. Repair of any holes caused to the roof or any other portion of the Unit as a result of solar panels.	All maintenance, repair, and replacement of all systems serving the COA Buildings only
Trash & Recycling Collection	Remove the bins serving only the one Unit to the dumpster area at appropriate times	All dumpster/recycling pick-up
Carports	Routine sweeping and cleaning of the carport assigned the Unit Owner; maintenance, repair, and replacement of all interiors and interior electrical components.	All exterior maintenance & exterior electrical components.
Walkways	Maintenance, repair, and replacement of any walkway running from the Unit to the common path	Maintenance, repair, and replacement of all Common pathways
Pest Control	Internal and external inspection and maintenance of the Unit	Internal and external inspection and maintenance of all COA Buildings
Smoke and CO2 detectors	Units Owners must install, replace, repair, and maintain in good working order smoke and CO2 detectors serving their Units	Install, replace, repair, and maintain in good working order all smoke and CO2 detectors serving the COA Buildings

ARTICLE XIV

RIGHT OF ENTRY

The Management Committee and its duly authorized agents shall have the right to enter any and all of the Units and/or their Limited Common Areas and Facilities in case of an emergency originating in or threatening such Unit or any other part of the Project, whether or not the Unit Owner or occupant thereof is present at the time. The Management Committee and its duly authorized agents shall also have the right to enter into any and all of said Units at all reasonable times as required for the purpose of making necessary repairs upon the Common Areas and

Facilities of the Project or for the purpose of performing emergency installations, alterations, or repairs to the mechanical or electrical devices or installations located therein or thereon provided, however, such emergency installations, alterations or repairs are necessary to prevent damage or threatened damage to other Units in the Project; and provided further that the Unit Owner affected by such entry shall first be notified thereof if available and if time permits. Each Unit Owner and/or occupant shall deposit a key to the Unit with the Management Committee or manager to be used for emergency access to the Unit. The Management Committee or the manager have the right to try if this key works, with 24 hours' advance notice. If the key does not work in the event of an emergency, the Association may do whatever may be necessary to get into the Unit, and the Unit Owner will be responsible for any costs or repairs as needed.

ARTICLE XV

PAYMENT OF EXPENSES AND ASSESSMENTS

- a) **Unit Owners to Pay Common Expenses:** Each Unit Owner shall pay the Management Committee his/her allocated portion of the cash requirement deemed necessary by the Management Committee to manage and operate the Condominium Project, that is the Common Expenses, upon the terms, at the time, and in the manner herein provided without any deduction on account of any set-off or claim which the Unit Owner may have against the Management Committee or Association. If the Unit Owner shall fail to pay any installment within one month of the time when the same becomes due, the Unit Owner shall pay interest thereon at the rate of nine percent (9%) per annum from the date when such installment shall become due to the date of the payment therefor; provided, however, that interest on any installment which is six months or more overdue shall increase to eighteen percent (18%) for the period beginning six months after payment is due and continuing until fully paid. In addition to the interest, a late fee may be charged as allowed and appropriate.
- b) **Budgeting of Common Expenses:** The cash requirements above referred to for each year, or portion of the year, are hereby defined and shall be deemed to include an adequate reserve fund for maintenance, repairs, and replacement of those Common Areas and Facilities that must be maintained, repaired, or replaced on a periodic basis, plus such aggregate sum as the Management Committee from time to time shall determine, in its judgment, is to be paid by all the Owners of the Condominium Project then in existence to enable the Management Committee to pay all estimated expenses and outlays of the Management Committee to the close of such year, growing out of or in connection with the maintenance and operation of such land, buildings, and improvements; which sum may include, among other things, the cost of management, special assessments, fire, casualty, flood, fidelity, public liability, and other insurance premiums, common lighting, landscaping and the care of the grounds, repairs and renovations to Common Areas and Facilities, snow removal, wages, water charges, natural gas charges and all other utility services, except telephone, electricity and other services which are separately billed or metered to the individual Units by the utility or party furnishing such service, legal and accounting fees, management fees, expenses and liabilities incurred by the Management Committee under or by reason of this Declaration, the payment of any deficit remaining from the previous period, the creation of a reasonable contingency or other necessary reserve or surplus fund, as well as all other costs and expenses relating to

the Condominium Project as defined in Article II b) 4). The Management Committee may, from time to time, up to the close of the year for which such cash requirements have been so filed or determined, increase or diminish the amount previously fixed or determined for such year. It may include in the cash requirements for any year, any liabilities or items or expense which accrued or became payable in the previous year, or which might have been included in the cash requirements for a previous year, but were not included therein; and also any sums which the Management Committee may deem necessary or prudent to provide a reserve against liabilities or expenses then accrued or thereafter to accrue although not payable in that year.

- c) **Apportionment of Common Expenses:** The portion payable with respect to each Unit in and for each year or for a portion of a year shall be a sum equal to the aggregate amount of such cash requirements for such year, or portion of year, determined as aforesaid, multiplied by the percentage of undivided interest in the Common Areas and Facilities appurtenant to such Unit, as defined in Article VII f) with the details shown in Appendix B. Such assessments, together with any additional sums accruing under this Declaration, shall be payable monthly in advance, or in such payments and installments as shall be established by the Management Committee. Notwithstanding anything to the contrary herein, if the Association exceeds its budget for Common Expenses in any given year, or if the Management Committee determines that it will exceed its budget for Common Expenses before the fiscal year is complete, and the Management Committee determines that the reason the budget was or will be exceeded is due to expenses associated with maintenance of decks, the Management Committee may charge a special assessment to each Unit Owner for the portion of the budget overage attributable to the deck belonging to that Owner's Unit.
- d) **Cash Requirements Decided by Management Committee:** The Management Committee shall have discretionary powers to prescribe the manner of maintaining and operating the Condominium Project and to determine the cash requirements of the Management Committee to be paid as aforesaid by the Owners under this Declaration. Every such reasonable determination by the Management Committee within the bounds of the Act, and this Declaration shall be final and conclusive as to the Owners, and any expenditures made by the Management Committee, within the bounds of the Act and this Declaration shall as against the Unit Owner be deemed necessary and properly made for such purpose.
- e) **Recourse for Nonpayment:** If an Owner shall at any time let or sublet his/her Unit and shall default for a period of one month in the payment of any assessments, the Management Committee may, at its option, so long as such default shall continue, demand and receive from any tenant or sub-tenant of the Owner occupying the Unit the rent due or becoming due and payment of such rent to the Management Committee shall be sufficient payment and discharge of such tenant or sub-tenant and the Unit Owner to the extent of the amount so paid.
- f) **Lien for Nonpayment:** Each monthly assessment and each special assessment shall be separate, distinct and personal obligations of the Owner(s) of the Unit against which the same is assessed at the time the assessment is made and shall be collectible as such. Suit to recover a money judgment for unpaid Common Expenses may be maintained without foreclosure or

waiving the lien as described hereafter, securing the same. The amount of any assessment, whether regular or special, assessed to a Unit, plus interest as provided for herein, costs of action and reasonable attorney's fees shall become a lien upon such Unit upon recordation of a Notice of Assessment as provided for by the Act. The Act allows the lien to date back to the date the Original Declaration was recorded. Said lien for non-payment of Common Expenses shall have priority over all other liens and encumbrances, recorded or unrecorded, except only:

- 1) **secondary to tax liens:** tax and special assessment liens on the Unit in favor of any assessing unit or special district; and
 - 2) **secondary to prior recorded liens:** encumbrances on the interest of the Unit Owner recorded prior to the date such notice is recorded which by law would be a lien prior to subsequently recorded encumbrances.
- g) **Statement of Unpaid Common Expenses:** A certificate executed and acknowledged by the manager or Management Committee stating the unpaid Common Expenses then outstanding with respect to a Unit shall be conclusive upon the Management Committee and the Owners as to the amount of such indebtedness on the date of the certificate, in favor of all persons who rely thereon in good faith, and such certificate shall be furnished upon request to any Owner of a Unit at a reasonable fee up to \$25.00 or a higher amount if allowed by the Act. Unless the request for a certificate of indebtedness shall be compiled within 10 days, all unpaid Common Expenses which become due prior to the date of making of such request shall be subordinate to the lien or interest held by or obtained by the person making the request. Any holding a lien on a Unit may pay any unpaid Common Expenses payable with respect to such Unit and upon such payment shall have a lien on that Unit of the same rank as the lien of his/her encumbrance for the amounts paid.
- h) **Release of Lien:** Upon payment or other satisfaction of delinquent assessments for which a Notice of Assessment has been recorded, the Management Committee shall cause to be recorded in the same manner as the Notice of Assessment a further notice stating the satisfaction and release of the lien thereof. Such lien for nonpayment of assessment may be enforced by sale of the Unit by the Management Committee or by a bank or trust company or title insurance company authorized by the Management Committee, such sale to be conducted in accordance with the provisions of the law applicable to the exercise of powers of sale or foreclosure in deeds of trust or mortgages or in any other manner permitted by law. In any foreclosure or sale, the Unit Owner shall be required to pay the costs and expenses of such proceedings including reasonable attorney's fees.
- i) **Foreclosure:** In the event of foreclosure, the Unit Owner shall be required to pay a reasonable rental for the Unit and the plaintiff in the foreclosure action shall be entitled to the appointment of a receiver to collect the rental without regard to the value of the security. The Management Committee, manager or Association shall have the power to bid on the Unit at foreclosure or other sale and to hold, lease, mortgage, and convey the Unit.
- j) **Capital Improvements:** In assessing Unit Owners for capital improvements, no assessment for a single improvement in the nature of a capital expenditure exceeding the sum of

\$5,000.00 shall be made without the same having been first voted on and approved by at least a sixty-seven (67%) of the undivided interest in the Common Areas and Facilities present, in person or by proxy, at a meeting duly called and established for such purpose.

- k) Suspension of Voting Rights:** In the event of nonpayment of assessed Common Expenses or other assessments, the right of the non-paying Unit Owner(s) to vote his/her/their Unit's share pursuant to this Declaration or the Bylaws shall be suspended for all purposes until all such delinquent assessments, together with interest, costs and reasonable attorney's fees, shall have been paid. During such suspension, actions requiring a stated percentage of votes shall be determined without counting the suspended Unit or Units.
- l) Annual Budget:** At least ten (10) days prior to each annual meeting of the Association, the Management Committee shall estimate the Common Expenses and capital contributions for the upcoming year and present a written budget for the upcoming fiscal year to the Association for approval and ratification at the annual meeting from at least sixty-seven percent (67%) of the undivided interest in the Common Areas and Facilities present, in person or by proxy, at the annual meeting. The estimated capital contributions may include such amounts as the Management Committee may deem proper for general working capital, for the general operating reserve, for a reserve fund for replacements and major maintenance and shall take into account any expected income, surplus, or deficit in the Common Expenses for any prior year. These estimated capital contributions and Common Expenses shall be presented at the annual meeting and thereafter shall be assessed on a monthly basis to the Unit Owners in proportion to their equal percentage of undivided interest in the Common Areas and Facilities as set forth in the Declaration. If the written budget prepared by the Management Committee and presented to the Unit Owner is not ratified, it shall be deemed rejected. If rejected, the annual budget last ratified by the Unit Owners, increased by five percent (5%), shall be deemed renewed for the next calendar year and shall remain in full force and effect until such time as the Unit Owners may ratify a subsequent annual budget presented to them by the Management Committee. If the estimated Common Expenses prove inadequate for any reason, including nonpayment of any Unit Owner's assessments, the Management Committee may, by resolution duly adopted by at least sixty-seven percent (67%) of the undivided interest in the Common Areas and Facilities present, in person or by proxy, at a meeting duly called and established for such purpose, make any other, additional, special or extra assessments, which shall be assessed to the Unit Owners in the same manner as the estimated Common Expenses. Each Unit Owner shall be obligated to pay to the Management Committee assessments made pursuant to this paragraph on or before the first day of each month, or in such other reasonable manner as the Management Committee shall designate. The funds received by the Management Committee from assessments shall be kept in either capital accounts or in the Common Expense fund and shall be expended by the Management Committee only in accordance with the provisions of the Act, the Declaration and these Bylaws.
- m) Criteria for Legal Determination:** Every determination by the Management Committee with respect to Common Expenses and common expenditures necessary to maintain the Condominium Project, that is made within the bounds of the Act, the Declaration, and these

Bylaws, shall be final and conclusive as to the Unit Owners and shall be deemed necessary and properly made for such purposes.

- n) **Holdover Budget:** The failure by the Management Committee before the expiration of any year, to estimate the Common Expenses as required herein, shall not be deemed a waiver or modification in any respect of the provisions of the Declaration or these Bylaws or a release of the Unit Owners from the obligation to pay any past or future assessments, and the estimated Common Expenses fixed for the previous and current year shall continue until a new estimate is fixed.
- o) **No Exemption from Liability:** No Unit Owner may exempt himself from liability for Common Expenses by waiver of the use or enjoyment of any of the Common Areas and Facilities or by abandonment of his/her Unit.
- p) **Record Keeping:** The treasurer shall keep detailed records of all receipts and expenditures, including expenditures affecting the Common Areas and Facilities, specifying and itemizing the maintenance, repair and replacement expenses of the Common Areas and Facilities and any other expenses incurred. Such record shall be available for examination by the Unit Owners during regular business hours. In accordance with the actions of the Management Committee assessing Common Expenses against the Units and Unit Owners, the treasurer shall keep an accurate record of such assessments and of the payments thereof by each Unit Owner.
- q) **Collection of Assessments:** All Common Expense assessments and any other, special, additional, or extra assessments shall be a separate, distinct, and personal liability of the Owner of the Unit at the time each such assessment is made. The Management Committee shall have the rights and remedies contained in the Act and in the Declaration to enforce the collection of any such assessments.
- r) **Prospective Buyers:** Any person who shall have entered into a written agreement to purchase a Unit shall be entitled to obtain a written statement from the treasurer setting forth the amount of unpaid assessments charged against the Unit and its Owners, and if such statement does not reveal the full amount of the unpaid assessments as of the date it is rendered, neither the purchaser nor the Unit shall be liable for the payment of an amount in excess of the unpaid assessments shown thereon, provided that the former Unit Owner grantor shall remain so liable. Any such excess which cannot be promptly collected from the former Unit Owner grantor shall be reassessed by the Management Committee as a Common Expense to be collected from all Unit Owners, including without limitation the purchaser of the Unit, his/her successors and assigns. The new Unit Owner shall and the former Unit Owner shall not be liable for any assessments made after the date of transfer of title to a Unit, even though the Common Expenses for the expenses incurred or the advances made by the Management Committee for which the assessment is made relate in whole or in part of any period prior to that date.
- s) **Sheriff's Sale:** In the event that title to a Unit is transferred at sheriff's sale pursuant to execution upon any lien against the Unit, the Management Committee shall give notice in writing to the sheriff of any unpaid regular and/or special, extra or additional assessments for

Common Expenses which are a lien against the Unit, and for any expenses of or advances by the Management Committee which have not theretofore been reduced to a lien, both of which shall be paid out of the proceeds of the sale in the order of priority to which they are entitled and in any event prior to the distribution of any balance to the former Unit Owner against whom the execution was issued. Any such unpaid assessments which cannot be promptly collected from the former Unit Owner, or from the sales proceeds, shall be reassessed by the Management Committee as a Common Expense to be collected from all of the Unit Owners, including the purchaser who acquired title at the sheriff's sale, his/her successors and assigns. To protect its rights to collect unpaid assessments for Common Expenses which are a lien against a Unit, and for any other assessments, expenses of and advances by the Management Committee, the Management Committee may on behalf of all the Unit Owners, purchase the Unit at sheriff's sale, provided such action is authorized by the affirmative consent and approval from at least sixty-seven percent (67%) of the undivided interest in the Common Areas and Facilities present, in person or by proxy, at a meeting duly called and established for such purpose.

- t) **Statement of Unpaid Assessments:** In addition to the statements issuable to purchasers of Units, the Management Committee shall provide a current statement of unpaid assessments for Common Expenses and for any expenses of and advances by the Management Committee in respect of the Unit, to the Unit Owner, to any person who shall have entered into a binding agreement to purchase the Unit and to any Mortgagee on request at reasonable intervals.
- u) **Unpaid Assessments Become Common Expenses:** In all cases where, all or part of any assessments for Common Expenses and for any expenses of and advances by the Management Committee cannot be promptly collected from the persons or entities liable therefor under the Act, Declaration or Bylaws, the Management Committee shall reassess the same as a Common Expense, without prejudice to its rights of collection against such persons or entities.

ARTICLE XVI

TAXES

It is understood that under the Act each Unit, together with its percentage of undivided interest in the Common Areas and Facilities in the Project, is deemed a parcel and subject to separate assessment and taxation by each assessing unit and special district for all types of taxes authorized by law. Each Unit Owner will, accordingly, pay and discharge any and all taxes which may be assessed against his/her Condominium Unit.

ARTICLE XVII

EASEMENTS, ENCROACHMENTS, AND CONVEYANCES

- a) **Easement for maintenance of Common Areas:** Each Unit shall be subject to such easements as may be necessary for the installation, maintenance, repair, or replacement of any Common Areas and Facilities located within the boundaries of such Unit.

- b) **Other encroachment:** In the event that, by reason of the construction, reconstruction, settlement or shifting of any part of a building, any part of the Common Areas and Facilities encroaches or shall hereafter encroach upon any part of any Unit or any part of any Unit encroaches or shall hereafter encroach upon any part of the Common Areas and Facilities or any other Unit, valid easements for such encroachment and the maintenance of such encroachment are hereby established and shall exist for the benefit of such Unit and the Common Areas and Facilities, as the case may be, so long as all or any part of the building containing any such Unit shall remain standing; provided, however, that in no event shall a valid easement for any encroachment be created in favor of any Unit Owner or in favor of the Unit Owners occurring after the date on which this Declaration is recorded.
- c) **A Unit's Identity number is sufficient description:** Every deed, lease, mortgage, or other instrument may describe a Unit by its identity number and letter designation as set forth in Appendix B and in the Map. Every such description shall be deemed good and sufficient for all purposes and shall be deemed to convey, transfer, encumber, or otherwise affect the Unit Owner's corresponding percentage of undivided ownership in the Common Areas and Facilities, as a tenant-in-common, as set forth in Appendix B even though the same is not exactly mentioned or described.
- d) **Implicit easements:** Every deed, lease, mortgage, or other similar instrument shall be deemed to include with respect to a Unit nonexclusive easements for ingress and support of said Unit through the Common Areas and Facilities, for the repair of said Unit through all other Units and through the Common Areas and Facilities, and for the use of the patios, yards, storage areas, and parking spaces as indicated in Appendix B and the Map and further except and reserve, with respect to the undivided percentage interest in the Common Areas and Facilities, nonexclusive easements appurtenant to all Units for ingress, egress, support and repair and exclusive easements appurtenant to each Unit for the use of the patios, yards, storage areas, and parking spaces as set forth in Appendix B and the Map.
- e) **Easements:** The Association may grant or create, on such terms as it deems advisable, utility, ingress, egress, construction and similar easements over, under, across, and through the Condominium Project.

ARTICLE XVIII

DESTRUCTION OR DAMAGE

In the event of destruction or damage of part or all of the improvements in the Condominium Project, the procedures of this Article XIX shall apply:

- a) **Sufficient Funds Available:** If proceeds of the insurance maintained by the Management Committee are alone sufficient to repair or reconstruct the damaged or destroyed improvement, such repair or reconstruction shall be carried out.
- b) **Damage Less than 75%:** If less than 75% of the Project's improvements are destroyed or substantially damaged, and if proceeds of the insurance maintained by the Management Committee are not alone sufficient to accomplish repair or reconstruction, restoration shall be carried out and all of the Unit Owners shall be assessed for any deficiency on the basis of

their respective appurtenant percentages of undivided ownership interest, said assessment becoming a lien on the Units as provided for in the Act.

- c) **Damage 75% or More:** If 75% or more of the Project's improvements are destroyed or substantially damaged, and if proceeds of the insurance maintained by the Management Committee are not alone sufficient to accomplish restoration, and if the Unit Owners within 100 days after the destruction or damage by a vote of at least sixty-seven percent (67%) of the entire undivided ownership interest in the Project elect to repair or reconstruct the affected improvements, restoration shall be accomplished in the manner directed under Section b) above.
- d) **Decision Not to Reconstruct:** If 75% or more of the Project's improvements are destroyed or substantially damaged, if proceeds of the insurance maintained by the Management Committee are insufficient to accomplish restoration, and if the Unit Owners do not, within 100 days after the destruction or damage and by a vote of at least sixty-seven percent (67%) of the entire undivided interest in the Common Areas and Facilities, elect to repair or reconstruct the affected improvements, the Management Committee shall promptly record with the Salt Lake County Recorder a notice setting forth such facts. Upon the recording of such notice the provisions of subsections (1) through (4) of Section 57-8-31, Utah Code Annotated (1963) shall apply and shall govern the rights of all parties having an interest in the Project or any of the Units.
- e) **Management Committee Responsibilities:** Any reconstruction or repair which is required to be carried out by this section shall be accomplished at the instance and direction of the Management Committee. Any determination which is required to be made by this section regarding the extent of damage to or destruction of Project improvements shall be made as follows: The Management Committee shall select three M.A.I. appraisers; each the appraisers shall independently arrive at a figure representing the percentage of Project improvements which have been destroyed or substantially damaged; the percentage which governs the application of the provisions of this Article XIX shall be the average of the two closest/appraisal figures; or of all three if the spread between the highest and middle figure and the lowest and middle figure is the same.

ARTICLE XIX

INSURANCE

- a) **Property Insurance:** The Management Committee or Association of Unit Owners shall at all times maintain in force hazard insurance meeting the requirements of the Act at §57-8-43 and also the following requirements:
 - 1) **Hazard Insurance:**
 - i) A blanket policy of property insurance covering the entire Condominium Project (both Units and Common Areas and Facilities) shall be maintained by the Association.
 - ii) The blanket policy shall exclude land and other items not normally and reasonably covered by such policies. The blanket policy shall be an "all in" or "all inclusive" insurance policy as those terms are used in the insurance industry and shall include

insurance for any fixture, improvement, or betterment installed in or to the Unit or any Limited Common Areas or otherwise permanently part of or affixed to the Common Areas, Units, or Limited Common Areas, including but not limited to, floor coverings, cabinets, light fixtures, electrical fixtures, heating and plumbing fixtures, paint, wall coverings, and windows.

- iii) At a minimum, the blanket policy shall afford protection against loss or damage by fire, windstorm, hail, riot, aircraft, vehicles, vandalism, smoke, and theft; and also, all perils normally covered by “special form” property coverage.
 - iv) The blanket policy shall be in an amount not less than one hundred percent (100%) of current replacement cost of all property covered by such policy (including the Units) at the time the insurance is purchased and at each renewal date. The actual replacement cost of the property shall be determined by using methods generally accepted in the insurance industry.
 - v) The blanket policy shall include either of the following endorsements to assure full insurable value replacement cost coverage: (1) a Guaranteed Replacement Cost Endorsement under which the insurer agrees to replace the insurable property regardless of the cost; and (2) a Replacement Cost Endorsement under which the insurer agrees to pay up to one hundred percent (100%) of the Property’s insurable replacement cost but not more. If the policy includes a coinsurance clause, it must include an Agreed Amount Endorsement which must waive or eliminate the requirement for coinsurance.
 - vi) Each property policy required to be maintained by the Association shall also contain or provide for the following: (i) “Inflation Guard Endorsement”, if available, (ii) “Building Ordinance or Law Endorsement” (the endorsement must provide for contingent liability from the operation of building laws, demolition costs, and increased costs of reconstruction), and (iii) “Equipment Breakdown”, if the Project has central heating or cooling or other equipment or other applicable fixtures, equipment, or installation, which shall provide that the insurer’s minimum liability per accident at least equals the lesser of two million dollars (\$2,000,000) or the insurable value of the building containing the equipment.
- 2) Owner Responsible for Payment of Deductible.** If a loss occurs that is covered by a property insurance policy in the name of the Association and another property insurance policy in the name of an Owner:
- i) the Association’s policy provides primary insurance coverage;
 - ii) notwithstanding Subsection (i) above, and subject to Subsection (iii) below:
the Owner is responsible for the Association’s policy deductible; and
 - (b) the Owner’s policy, if any, applies to that portion of the loss attributable to the Association’s policy deductible.
 - iii) an Owner that has suffered damage to any combination of a Unit or a Limited Common Area appurtenant to a Unit (“Unit Damage”) as part of a loss, resulting

from a single event or occurrence, that is covered by the Association's property insurance policy ("a Covered Loss") is responsible for an amount calculated by applying the percentage of total damage resulting in a Covered Loss that is attributable to Unit Damage ("Unit Damage Percentage") for that Unit to the amount of the deductible under the Association's property insurance policy; and

- iv) If an Owner does not pay the amount required under Subsection (iii) above within thirty (30) days after substantial completion of the repairs to, as applicable, the Unit or the Limited Common Area appurtenant to the Unit, the Association may levy an assessment against the Owner for that amount.
- 3) Association's Right to Not Tender Claims Under the Deductible.** If, in the exercise of its business judgment, the Management Committee determines that a claim is likely not to exceed the Association's property insurance policy deductible: (a) the Owner's policy is considered the policy for primary coverage to the amount of the Association's policy deductible; (b) an Owner who does not have a policy to cover the Association's property insurance policy deductible is responsible for the loss to the amount of the Association's policy deductible; and (c) the Association need not tender the claim to the Association's insurer.
- 4) Notice Requirement for Deductible.** The Association shall provide notice to each Owner of the Owner's obligation for the Association's policy deductible and of any change in the amount of the deductible. If the Association fails to provide notice of any increase in the deductible, it shall be responsible for paying any increased amount that would otherwise have been assessed to the Owner. The failure to provide notice shall not invalidate or affect any other provision in this Declaration.
- 5) Boiler Explosion Insurance:** If a steam boiler is or comes to be contained in the Project, there shall be maintained boiler explosion insurance and a broad form policy of repair and replacement boiler and machinery insurance, evidenced by the standard form of boiler and machinery insurance policy. Said insurance shall, as a minimum, provide coverage in the amount of Fifty Thousand Dollars (\$50,000.00) per accident per location.
- 6) Flood Insurance:** If the Project is or comes to be situated in a locale identified by the Secretary of Housing and Urban Development as an area having special flood hazards and the sale of flood insurance has been made available under the National Flood Insurance Act of 1968, a "blanket" policy of flood insurance on the Condominium Project shall be obtained and maintained. The minimum amount of coverage afforded by such policy shall be the lesser of the maximum amount of insurance available under said Act or the aggregate of the unpaid principal balances of the Mortgages affecting the individual Units. Such policy shall be in the form of the standard policy issued by members of the National Flood Insurers Association or in the form of a policy which meets the criteria established by the Flood Insurance Administration.
- 7) Identity of Insured Party:** The named insured under each policy required to be maintained by the foregoing items 1), 2), and 3) shall be in form and substance essentially as follows: "The Management Committee and the Association of Unit Owners of the

Wasatch Commons Condominium Project, or their authorized representative, for the use and benefit of the individual Owners”.

- 8) Mortgage Clause:** Each such policy shall include the standard Mortgagee clause (without contribution) which either shall be endorsed to provide that any proceeds shall be paid to the Management Committee of the Association of Unit Owners for the use and benefit of Mortgagees as their interests may appear or shall be otherwise endorsed to fully protect the interests of Mortgagees. In addition, the Mortgagee clause shall provide that the insurance carrier shall notify each Mortgagee at least thirty (30) days in advance of the effective date of any reduction in or cancellation of the policy.
- 9) Noncash Settlement:** Each such policy shall provide that notwithstanding any provision thereof which gives the carrier the right to elect to restore damage in lieu of making a cash settlement, such option shall not be exercisable if in conflict with any requirement of law or without the prior written approval of the Association.
- b) Fidelity Insurance:** The Management Committee and/or Association shall maintain in force fidelity coverage against dishonest acts on the part of managers (and employees of managers), trustees, employees, officers, Management Committee members, other committee members, or volunteers responsible for handling funds belonging to or administered by the Management Committee or Association of Unit Owners. The fidelity bond or insurance shall name the Association as the obligee or insured and shall be written in an amount sufficient to afford the protection reasonably necessary, but in no event less than three (3) months’ worth of gross condominium unit fees plus reserves. An appropriate endorsement to the policy shall be secured to cover persons who serve without compensation if the policy would not otherwise cover volunteers.
- c) Liability Insurance:** The Management Committee or Association of Unit Owners shall at all times maintain in force a comprehensive policy of public liability insurance covering all of the Common Areas and Facilities. Such insurance shall include a “Severability of Interest Endorsement” or its equivalent which shall preclude the insurer from denying the claim of Owner because of negligent acts of other Owners, the Management Committee, or the Association of Unit Owners. The coverage afforded by such public liability insurance shall include protection against water damage liability and such other risks as are customarily covered with respect to condominium projects similar to the Project in construction, location and use, including non-owned and hired automobile liability. The limits of liability under such insurance shall not be less than \$1,000,000.00 for all claims for bodily injury, personal injury and/or property damage arising out of a single occurrence.
- d) Directors and Officers Insurance:** A directors and officers liability policy shall be obtained with at least One Million Dollars (\$1,000,000) in coverage.
- e) General Requirements Concerning Insurance:** Each insurance policy maintained pursuant to this Article XX, Section a) through d) shall be written by an insurance carrier which is licensed to transact business in the State of Utah and which has a financial rating by Best's Insurance Reports of A-X or better. No such policy shall be maintained where: 1) under the terms of the carrier's charter, bylaws or policy, contributions may be required from, or assessments may

be made against, a Unit Owner, a Mortgagee, the Management Committee, the Association of Unit Owners, a Unit, the Common Areas, or the Project; 2) by the terms of the carrier's charter, bylaws, or policy, loss payments are contingent upon action by the carrier's board of directors, policyholders, or members; 3) the policy includes any limiting clauses (other than insurance conditions) which could prevent the party entitled from collecting insurance proceeds; or 4) the policy provides that the insurance thereunder shall be brought into contribution with insurance purchased by the individual Unit Owners or the Mortgagees. Each such policy shall provide that: (a) coverage shall not be prejudiced by any act or neglect of the Unit Owners when such act or neglect is not within the control of the Association of Unit Owners or the Management Committee; (b) coverage shall not be prejudiced by any failure by the Association or the Management Committee to comply with any warranty or condition with regard to any portion of the Project over which the Association or Management Committee have no control; (c) coverage may not be canceled or substantially modified (including cancellation for nonpayment of premium) without at least thirty (30) days prior written notice to any and all insureds named therein, including any Mortgagee named as an insured; and (d) the insurer waives any right of subrogation it might have to any and all claims against the Association, the Management Committee, any Unit Owner, and/or their respective agents, employees or tenants, and any defense it might have based upon co-insurance or upon invalidity arising from acts of the insured. If, due to changed circumstances, excessive cost, or any other reason, any of the insurance coverage required to be obtained and maintained under Section a) through d) of this Article XX cannot reasonably be secured, with respect to such coverage the Association or the Management Committee shall obtain and maintain such substitute, different or other coverage as may be reasonable and prudent under the circumstances as they may then exist. The Association's Management Committee or a special insurance committee will review the Association's insurance coverage and propose changes and/or modifications thereto on an at least annual basis.

ARTICLE XX

MORTGAGE PROTECTION

- a) **Notification of Mortgagee:** From and after the time a Mortgagee makes written request to the Management Committee or the Association of Unit Owners therefor, the Management Committee or the Association shall notify such Mortgagee in writing in the event that the Owner of the Unit encumbered by the mortgage held by such Mortgagee neglects for a period of thirty (30) or more days to cure any failure on his/her part to perform any of his/her obligations under this Declaration.
- b) **Subordination of liens:** The lien or claim against a Unit for unpaid assessments or charges levied by the Management Committee or by the Association of Unit Owners pursuant to this Declaration, or by the Act shall be subordinate to a first Mortgage effecting such Unit if the Mortgagee's encumbrance was recorded prior to the Association's Notice of Lien. A Mortgagee with an encumbrance recorded prior to the Association's Notice of Lien who comes into possession of the Unit pursuant to his/her Mortgage or a deed or assignment in lieu of foreclosure shall take the same free of such lien or claim for unpaid assessments or charges, but only to the extent of assessments or charges which accrue prior to foreclosure

of the Mortgage, exercise of a power of sale available there-under, or deed or assignment in lieu of foreclosure, except for claims for a pro-rata share of such prior assessments or charges resulting from a pro-rata reallocation thereof to all Units, including the Unit in which the Mortgagee is interested. No assessment, charge, lien or claim which is described in the preceding sentence as being subordinate to a Mortgage or as not a burden to a Mortgagee coming into possession pursuant to his/her Mortgage or a deed or assignment in lieu of foreclosure shall be collected or enforced by either the Management Committee or the Association from or against a Mortgagee, a successor in title to a Mortgagee, or the Unit effected or previously effected by the Mortgage concerned, to the extent any such collection or enforcement would prejudice the interests of the Mortgagee or successor in title to the Mortgagee interested in such Unit.

- c) **Mortgagee access to records:** Any Mortgagee shall have the right, at its request and expense and upon reasonable notice, to examine the books and records of the Management Committee, of the Association of Unit Owners and of the Condominium Project. From and after the time a Mortgagee makes written request to the Management Committee or the Association of Unit Owners therefore, the Management Committee or the Association shall furnish to such Mortgagee copies of such annual operating reports and other reports or writings summarizing or reflecting the financial position or history of the Condominium Project as may be prepared for distribution to or use by the Management Committee, the Association, or the Unit Owners.
- d) **Adequate reserve fund:** To the extent the same is in conformance with the Act and elsewhere, and is not inconsistent with the significant interests of the Association of Unit Owners, the Management Committee and the Association shall establish an adequate reserve to cover the cost of reasonably predictable and necessary major repairs and replacements of the Common Areas and Facilities and shall cause such reserve to be funded by regular monthly or other periodic assessments against the Units rather than by special assessments.

ARTICLE XXI

EMINENT DOMAIN

In the event that eminent domain proceedings are commenced against the Project or any portion thereof, the provisions of §57-8-32.5, Utah Code Annotated (Supplemented 1975) shall apply. The Management Committee shall give written notice of such proceedings to all Mortgagees of record. No first lien priority of any Mortgagee shall be diminished or otherwise disturbed by virtue of such proceedings.

ARTICLE XXII

OBLIGATION TO COMPLY HEREWITH

Each Unit Owner, lessee, tenant, subtenant, or other occupant of a Unit and their guests, servants, and invitees shall comply with the provisions of the Act, this Declaration, the Bylaws, and the Rules and Regulations and any other decisions made and issued pursuant thereto, all agreements and determinations lawfully made and/or entered into by the Management Committee or the Association of the Unit Owners, when acting in accordance with their authority, and any failure to comply with any of the provisions thereof shall be grounds for administrative fines to be levied by the Management Committee or the Association or an action by the Management Committee or Association or other aggrieved party for injunctive relief or to recover any loss or damage and reasonable attorney's fees resulting therefrom.

ARTICLE XXIII

INDEMNIFICATION OF ASSOCIATION MEMBERS

Each member of the Association, the Management Committee or of any other Association committee shall be indemnified and held harmless by the Association of Unit Owners against all costs, expenses and liabilities whatsoever, including without limitation, attorney's fees reasonably incurred by him in connection with any proceeding in which he may become involved by reason of his/her being or having been a member of the Association, said Management Committee or other committee; provided, however, the foregoing indemnification shall not apply if the expense or liability involved resulted from the willful or intentional misconduct or bad faith of the member.

ARTICLE XXIV

AMENDMENTS

- a) **67% majority:** In addition to the amendment provisions contained in Article IX above, but subject to the terms of Article XXI, Section c) 5) and Article XXI, Section h), this Declaration and/or the Map may be amended upon the affirmative vote of Unit Owners representing not less than sixty-seven percent (67%) of the entire undivided interests in the Common Areas and Facilities. Any amendment so authorized shall be accomplished by recordation of an instrument executed by the President of the Association with approval from the Management Committee. In said instrument the President shall verify that the vote or consent required by this Article XXV has occurred.
- b) **Reassignment of Parking Stalls:** The Management Committee may, from time to time and without the hereinabove set forth formalities, amend Appendix B to reflect any change in assignments of parking stalls or storage areas; provided, however, that the effected Unit Owners, if any, join in the execution of such an amendment.

ARTICLE XXV

CONSENT IN LIEU OF MEETING

In any case in which the Act or this Declaration requires the vote of a stated percentage of the Project's undivided interest in the Common Areas and Facilities for authorization or approval of a transaction, such requirement may be fully satisfied by obtaining, with or without a meeting, consents in writing to such transaction from Unit Owners who collectively hold at least the stated percentage of undivided interest in the Common Areas and Facilities. The following additional provisions, shall govern any application of this Article XXVI:

- a) **Sixty-Day Time Limit:** All necessary consents must be obtained prior to the expiration of sixty (60) days after the first consent is given by any Unit Owner;
- b) **Subsequent Owners Cannot Revoke Consent:** Any change in ownership of a Unit which occurs after consent has been obtained from the Owner having an interest therein shall not be considered or taken into account for any purpose; and
- c) **All Affected Owners Must Consent:** If a Unit has multiple Owners, one signature is sufficient, and the Association may presume that such Unit Owner has obtained assent from the other Owner(s).

ARTICLE XXVI

SERVICE OF PROCESS AND NOTICE

- a) **Recipient:** The person to receive service of process in the cases provided herein or in the Act is the individual listed as the Registered Agent with the Department of Commerce, Division of Corporations. Said person or his /her address may be changed by the recordation by the Management Committee of an appropriate instrument.
- b) **Delivery of Notices:** Any notice permitted or required to be delivered as provided herein may be delivered either personally or sent by telephonic facsimile, electronic mail (email) or by mail. If delivery is made by mail, it shall be deemed to be delivered forty-eight (48) hours after a copy of the same has been deposited in the U.S. postal service, postage prepaid, return receipt requested. Delivery by facsimile shall be deemed completed upon receipt of verification that the facsimile was received. Delivery by email shall be deemed completed when this email has been sent to the email address registered with the Association. Notice to Unit Owners shall be addressed to each Unit Owner at the address given by such Unit Owner to the Management Committee or its designee for the purpose of service of such notice or to the Unit of such Unit Owner if no such address has been given to the Management Committee. Such address may be changed from time to time by notice in writing to the Management Committee. Notice to the Management Committee shall be addressed to the Association's registered agent listed with the Utah Department of Commerce, Division of Corporations or other address so provided by the Management Committee.

ARTICLE XXVII

SEVERABILITY

The invalidity of any one or more phrases, sentences, subparagraphs, paragraphs, sections, or articles hereof shall not affect the remaining portions of this instrument nor any part thereof, and in the event that any portion or portions of this instrument should be invalid or should operate to render this instrument invalid, this instrument shall be construed as if such invalid phrase or phrases, sentence or sentences, subparagraph or subparagraphs, paragraph or paragraphs, section or sections, or article or articles had not been inserted.

ARTICLE XXVIII

WAIVERS

No provision contained in this Declaration shall be deemed to have been waived by reason of any failure to enforce it, irrespective of the number of violations which may occur.

ARTICLE XXIX

TOPICAL HEADINGS

The topical headings contained in this Declaration are for convenience only and do not define, limit or construe the contents of the Declaration.

ARTICLE XXX

LAW CONTROLLING and CONFLICTS

This Declaration and the Map shall be construed and controlled by and under the laws of the State of Utah. In the case of any conflict between this Declaration and the Bylaws, the Declaration shall control. In the case of any conflict between the Bylaws and the Rules and Regulations, the Bylaws shall control. In the case of any conflict between this Declaration and the Act, to the extent the Act does not legally allow this Declaration to contain provisions contrary to the Act, the Act shall control and this Declaration shall be deemed modified accordingly. Notwithstanding the above, this Declaration shall be deemed modified only to the extent necessary to come into compliance with the Act.

ARTICLE XXXI

EFFECTIVE DATE

This Declaration shall take effect upon recording.

ARTICLE XXXII

SIGNATURE PAGE

IN WITNESS WHEREOF, having complied with the amendment requirements in both the Original Declaration and the Utah Condominium Ownership Act, we, as members of the

Association's Management Committee, certify that the Association has properly amended the Original Declaration and executed this instrument the day and year set forth below.

**WASATCH COMMONS CONDOMINIUMS
MANAGEMENT COMMITTEE**

**KELLIE HENDERSON
PRESIDENT**

[Signature] 8/30/19

**KAY ARGYLE
SECRETARY**

[Signature] 8/30/2019

**JOHN GARRISON
TREASURER**

[Signature] 8/30/2019

**CHERYL KEIL
MEMBER**

[Signature] 8/30/2019

**VICTOR MIELE
MEMBER**

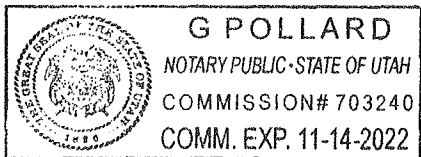
[Signature] 8/30/2019

State of Utah)

):ss

County of Salt Lake)

On this 30 day of AUGUST, 2019, personally appeared before me G POLLARD, K. HENDERSON, KAY ARGYLE, J. GARRISON, CHERYL KEIL, and V. MIELE, who being by me duly sworn, did say that they are members of the Management Committee of Wasatch Commons Condominiums; that said instrument was signed by them on behalf of said Association after receiving the necessary approval from owners; and that the foregoing information is true and accurate to the best of their knowledge.



[Signature]
Notary

Appendix A:

Property Description

Beginning at a point which is South 25.30 feet from the Northwest Corner of Lot 7, Block 1 Utah Southern Addition, a subdivision of part of the Northeast quarter of Section 15, Township 1 South, Range 1 West, Salt Lake Base and Meridian; said point also being West along the monument line of California Avenue 661.10 feet and South 850.50 feet and East 40.00 feet from a standard city monument located at the intersection of California Avenue and Cheyenne Street; and running thence North 437.80 feet to the Northwest corner of Lot 10, Block 1 of said subdivision; thence East 300.00 feet to the Northeast corner of Lot 10, Block 1 of said subdivision; thence South 176.00 feet; thence East 184.00 feet; thence South 68.30 feet; thence East 103.00 feet to a point on the Westerly right of way line of Cheyenne Street; thence along said Westerly right of way South 56.00 feet; thence West 146.00 feet; thence South 68.75 feet; thence East 12.50 feet; thence South 68.75 feet to a point on an existing block wall; thence along said block wall West 453.50 feet to the point of beginning.

Appendix B:

Undivided Interest and Parking Allocation

(1) Unit Designation	(2) Existing Sq. Ft.	(3) Deck Factor	(4) Single Story Factor	(5) Stand Alone Factor	(6) Addl Mod Fctr	(7) Car- port/ Strge	(8) Adjusted Sq. Ft.	(9) Variable Part of Par Value	(10) Fixed Part of Par Value	(11) % Undivided Interest	(12) Assgd. Parkg. Strge
1	842	245				234	1,321	1.4213%	1.9231%	3.3444%	B
2	1,050					234	1,284	1.3185%	1.9231%	3.3046%	D
3	1,576					234	1,810	1.9475%	1.9231%	3.8706%	E
4	1,761				32	234	2,027	2.1810%	1.9231%	4.1041%	F
5	1,729	245				234	2,208	2.3757%	1.9231%	4.2988%	H
6	1,696					234	1,930	2.0766%	1.9231%	3.9997%	I
7	1,370					234	1,604	1.7258%	1.9231%	3.6489%	J
8	1,393					234	1,627	1.7506%	1.9231%	3.6737%	A
9	1,601					234	1,835	1.9744%	1.9231%	3.8975%	L
10	859		86			234	1,179	1.2686%	1.9231%	3.1917%	C
11	1,487	245				234	1,966	2.1153%	1.9231%	4.0384%	M
12	859		86			234	1,179	1.2686%	1.9231%	3.1917%	G
13	1,601					234	1,835	1.9744%	1.9231%	3.8975%	N
14	864		86			234	1,184	1.2739%	1.9231%	3.1970%	K
15	842	245				234	1,321	1.4213%	1.9231%	3.3444%	O
16	1,729	245				234	2,208	2.3757%	1.9231%	4.2988%	Z
17	1,050					234	1,284	1.3815%	1.9231%	3.3046%	T
18	1,370	245				234	1,849	1.9894%	1.9231%	3.9125%	Y
19	1,539		154	77		234	2,004	2.1562%	1.9231%	4.0793%	Q
20	1,729	245				234	2,208	2.3757%	1.9231%	4.2988%	X
21	1,370	245				234	1,849	1.9894%	1.9231%	3.9125%	W
22	1,729	245				234	2,208	2.3757%	1.9231%	4.2988%	R
23	1,601	245				234	2,080	2.2380%	1.9231%	4.1611%	V
24	1,575	245				234	2,054	2.2100%	1.9231%	4.1331%	S
25	1,729	245				234	2,208	2.3757%	1.9231%	4.2988%	U
26	1,729	245				234	2,208	2.3757%	1.9231%	4.2988%	P
Totals	36,680	3,185	412	77	32	6,084	46,470	49.9995%	50.0006%	100.0001%	

Notes:

Legend: Column (1) is the unit number, and column (2) is the size of each unit in square feet. Column (11) is the undivided interest of each unit in percent. The undivided interest reflects a square-foot based "par value" assigned to each unit in compliance with the Utah Condominium Act 57-8-3(21). Column (11) is obtained as the sum of columns (9) and (10). The entry in column (10) is equal for all Units. The value of column (9) is explained in columns (2) to (8).

Appendix C:

Units and Unit Parcel Numbers

<u>Unit</u>	<u>Parcel Number</u>
1	15-15-204-001-0000
2	15-15-204-002-0000
3	15-15-204-003-0000
4	15-15-204-004-0000
5	15-15-204-005-0000
6	15-15-204-006-0000
7	15-15-204-007-0000
8	15-15-204-008-0000
9	15-15-204-009-0000
10	15-15-204-010-0000
11	15-15-204-011-0000
12	15-15-204-012-0000
13	15-15-204-013-0000
14	15-15-204-014-0000
15	15-15-204-015-0000
16	15-15-204-016-0000
17	15-15-204-017-0000
18	15-15-204-018-0000
19	15-15-204-019-0000
20	15-15-204-020-0000
21	15-15-204-021-0000
22	15-15-204-022-0000
23	15-15-204-023-0000
24	15-15-204-024-0000
25	15-15-204-025-0000
26	15-15-204-026-0000