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**DECLARATION OF CONDOMINIUM
FOR
COVENT GARDEN CONDOMINIUMS**

(A Utah Warehouse Condominium Project in Bluffdale City, Salt Lake County, Utah)

**DECLARATION OF CONDOMINIUM
FOR
COVENT GARDEN CONDOMINIUMS**

This *Declaration of Condominium for Covent Garden Condominiums* (this “**Declaration**”) is made and executed effective as of June 8, 2021, by the undersigned owners of the subject property (collectively referred to herein as the “**Declarant**”), for themselves and their successors and assigns, pursuant to the provisions of the Utah Condominium Ownership Act in Title 57, Chapter 8, Utah Code Annotated, as amended (the “**Act**”).

1. **RECITALS.**

1.1. Declarant owns the real property located in Salt Lake County, State of Utah, hereinafter more particularly described, upon which Declarant desires to develop a warehouse condominium project to be known as the Covent Garden Condominiums (the “**Condominium Project**”).

1.2. The Condominium Project will be comprised of four (4) condominium buildings identified as Buildings A, B, C and D on the recorded condominium Plat. Building A contains three (3) condominium units; Building B contains twelve (12) condominium units; Building C contains twelve (12) condominium units; and Building D contains four (4) condominium units. Hence, at buildout, the Condominium Project will contain a total of thirty-one (31) condominium units to be constructed on the land described in Exhibit C hereto (the “**Property**”).

1.3. Owners of condominium units in the Condominium Project will automatically be members of the Covent Garden Condominiums Owners Association, Inc. (herein referred to as the “**Condominium Association**”), and will be required to pay assessments as described in this Declaration. Owners are required to comply with the provisions, restrictions, and obligations set forth in this Declaration.

1.4. The covenants, conditions and restrictions contained in this Declaration and in the Exhibits hereto shall be enforceable equitable servitudes and shall run with the land. This Declaration shall be binding on all future owners of condominium units in the Condominium Project.

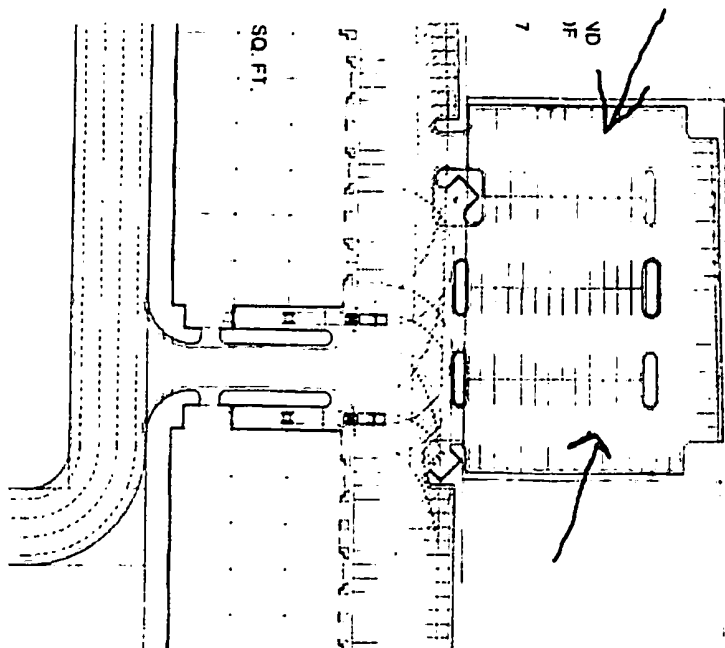
1.5. This Project is intended to be a condominium project pursuant to the Act.

2. **DEFINITIONS.**

2.1. Unless the context clearly indicates otherwise, certain terms as used in this Declaration and the foregoing Recitals shall have the meanings set forth in this Section 2.1.

2.2. Act shall mean the Utah Condominium Ownership Act (Title 57, Chapter 8, Utah Code Annotated).

2.3. Additional Parking Area shall mean the approximately one (1) acre area of land owned by PacifiCorp on which Declarant may construct additional parking surfaces (located adjacent to the east side of the Project) as allowed under that certain Lease Agreement between PacifiCorp (as "Lessor") and Covent Garden Holdings LLC (as "Lessee"), signed by Lessor on September 28, 2020 (the "PacifiCorp Lease"). The ability of Owners (and their tenants, guests, customers, and invitees) to use the Additional Parking Area, if constructed by Declarant, will last only as long as the PacifiCorp Lease remains in effect. As set forth in Section 6.4 below, if and when Declarant constructs parking lot improvements on the PacifiCorp land for use by this Condominium Project, the Condominium Association shall automatically be deemed to have assumed, and shall thereafter perform, all obligations of the "Lessee" under the PacifiCorp Lease. All costs and expenses incurred by the Condominium Association in performing the obligations of the Lessee under the PacifiCorp Lease shall be deemed to be, and shall be treated as, Common Expenses (defined below). The Additional Parking Area is depicted as follows:



2.4. Amendment shall mean any amendment to this Declaration made in accordance with the Declaration and the Act.

2.5. Buildings shall mean the four (4) condominium buildings constructed within the Condominium Project, located on the land described in Exhibit C hereto.

2.6. Bylaws shall mean the Bylaws of the Condominium Association, as amended from time to time. The initial Bylaws are attached as Exhibit B hereto.

2.7. Capital Improvement shall mean any improvement with a useful life of more than three (3) years.

2.8. Common Areas and Facilities shall mean all portions of the Project other than the Units and any publicly-dedicated areas or improvements within the Project, as described in Section 6 below. The undivided interest in the Common Areas and Facilities appurtenant to each Unit is described in Section 6.3 below and set forth in Exhibit A hereto.

2.9. Common Assessments shall mean those assessments described in Section 19 to fund the Common Expenses, and include Regular Common Assessments and Special Common Assessments.

2.10. Common Expense Account shall mean one or more deposit or investment accounts of the Condominium Association into which are deposited the Common Assessments.

2.11. Common Expenses shall mean all expenses of the administration, maintenance, repair, or replacement of the Common Areas and Facilities and all other expenses denominated as Common Expenses by this Declaration or by the Act.

2.12. Condominium Association shall mean the Covent Garden Condominiums Owners Association, Inc., a Utah nonprofit corporation. Each Owner of a Unit shall automatically be a Member of the Condominium Association.

2.13. Condominium Project or Project shall mean the Property, the Buildings, the Units, the Common Areas and Facilities and all improvements submitted by this Declaration to the provisions of the Act.

2.14. Declarant shall mean and refer to each of the undersigned parties holding ownership interests in the Property described in Exhibit C hereto as of the execution date of this Declaration.

2.15. Lease shall mean any agreement for the leasing or rental of any Unit or portion of a Unit in the Condominium Project.

2.16. Limited Common Areas and Facilities shall mean a portion of the Common Areas and Facilities allocated by the Declaration or the Act, and as may be shown on the Plat, for the exclusive use of one or more, but fewer than all, of the Units.

2.17. Management Committee shall mean the Board of Trustees of the Condominium Association, appointed or elected in accordance with this Declaration and the Bylaws.

2.18. Manager shall mean the person, firm or company, if any, designated from time to time by the Condominium Association to manage, in whole or in part, the affairs of the Condominium Association and the Condominium Project.

2.19. Map or Plat (condominium plat) shall mean the Record of Survey Map (or Condominium Plat) of the Condominium Project, recorded in the official records of the Salt Lake County Recorder's Office, Utah, against the real property included in the Condominium Project.

2.20. Mortgage shall mean any mortgage, deed of trust or other security instrument by which a Unit or any part thereof or interest therein is encumbered. A First Mortgage is a Mortgage having priority as to all other Mortgages encumbering a Unit or any part thereof or interest therein.

2.21. Mortgagee shall mean (i) any persons or entities named as the mortgagee or beneficiary under any Mortgage by which the interest of any Owner is encumbered, (ii) any successor to the interest of such person or entity under such Mortgage, or (iii) any insurer or guarantor of such person or entity under such Mortgage.

2.22. Owner shall mean any person or entity at any time owning in fee simple a Unit within the Condominium Project as such ownership is shown by the records of the Salt Lake County Recorder, State of Utah. The term "Owner" shall not refer to any Mortgagee, unless such Mortgagee has acquired title for other than security purposes.

2.23. Plat or Condominium Plat shall have the meaning given to "Map" or "Plat" above.

2.24. Property shall mean that certain real property situated in Salt Lake County, State of Utah, more particularly described in Exhibit C hereto, on which the Buildings, the Units, and other improvements will be constructed. The Property is comprised of approximately 4.94 acres, and is identified as Salt Lake County Tax Parcel 33-11-400-021.

2.25. "Reinvestment Fee" means the fee assessed to each Owner, payable to the Condominium Association, upon taking title to a Unit as further described in Section 19.4 below.

2.26. Regular Common Assessments shall mean the annual assessments levied by the Condominium Association to pay the budgeted Common Expenses.

2.27. Size shall mean the area of floor space within a Unit, in square feet, rounded off to a whole number. Declarant's determination of the Size of a Unit, as set forth in this Declaration or in any amendment or supplement hereto, shall be conclusive.

2.28. Special Common Assessments shall mean assessments, which the Condominium Association may levy from time to time, in addition to the Regular Common Assessments, for unexpected Common Expenses or other purposes as provided herein.

2.29. Total Votes of the Condominium Association shall mean the total number of votes appertaining to all Units, as described in Section 6.3 hereof and shown in Exhibit A.

2.30. Unit shall mean a physical portion of the Condominium Project designed for separate ownership as described in Section 5 below. "Unit" shall mean the air space within the physical boundaries of a Unit, consisting of enclosed rooms occupying part of a Building and bounded by the unfinished interior surfaces of the walls, floors, ceilings, windows and doors of the air space, as said boundaries are shown on the Plat, together with the fixtures and improvements therein contained. Paint and other wall, ceiling and floor coverings on the interior surfaces are deemed to be part of the Unit. Notwithstanding the fact that they may be within the boundaries of such air space, the following are not part of a Unit even though they are necessary for the support, use, and/or enjoyment of a Unit: bearing walls, floors, ceilings, exterior roofs, foundations, ceiling

equipment, tanks, pumps, pipes, vents, ducts, shafts, flues, chutes, conduits, wires and other utility installations, except the outlets thereof when located within a Unit.

3. DESCRIPTION OF THE PROPERTY.

3.1. The Property on which the Buildings, the Units and related improvements are or will be constructed is situated in Bluffdale City, Salt Lake County, Utah, and is described in Exhibit C hereto, which legal description is incorporated herein by reference.

4. CONFIRMATION OF SUBMISSION TO ACT.

Declarant hereby confirms and acknowledges that the Property, the Buildings, the Units, and all other improvements thereon are subject to the provisions of the Act. All of said Project is and shall be held, conveyed, hypothecated, encumbered, leased, subleased, rented, used and improved as a warehouse condominium project known as the Covent Garden Condominiums. All of said Project is and shall be subject to the covenants, conditions, restrictions, uses, limitations and obligations set forth herein, each and all of which are declared and agreed to be for the benefit of said Project. Each and all of the provisions hereof shall be deemed to run with the land and shall be a burden and a benefit on the Property and shall be binding on any person acquiring, leasing, subleasing or owning an interest in the real property and improvements comprising the Project, their assigns, lessees, sublessees, heirs, executors, administrators, devisees and successors.

5. DESCRIPTION OF UNITS AND BUILDINGS.

Each Unit is located within a Building. There are no basements or basement units. The Buildings will be constructed as concrete "slab on grade" with "tilt-up" concrete walls. The principal materials of which the Buildings will be constructed are concrete, cinderblock, steel, wood, metal, and other customary construction materials. Certain portions of the Buildings may also have glass storefronts. The boundary lines of each Unit are as set forth on the recorded condominium Plat of this Project and consist of the undecorated and/or unfinished interior surfaces of its perimeter walls, bearing walls, lowermost floor, uppermost ceiling, and the interior surfaces of windows and doors. Each Unit shall include the usable space within the Unit as shown on the Plat together with an appurtenant undivided interest in and to the Common Areas and Facilities. The Mechanical equipment and appurtenances located within any one Unit or located without said Unit but designated and designed to serve only that Unit shall be considered part of the Unit, as shall all decorated interiors, all surfaces of interior structural walls, floors and ceilings (including drop ceilings), windows and window frames, doors and door frames, and trim, consisting of, among other items and as appropriate, wallpaper, paint, flooring, carpeting and tile. All pipes, wires, conduits or other utility lines or installations constituting a part of a Unit and serving only such Unit, and any structural members or any other property of any kind, including fixtures and appliances, within such Unit, which are removable without jeopardizing the soundness, safety, or usefulness of the remainder of the Building within which such Unit is situated shall be considered part of the Unit. Each Unit shall include both the portions of a Building that are not Common Areas and Facilities within such boundary lines and the space within the walls so encompassed, excepting Common Areas and Facilities. 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 outlets, fixtures or appliances found within the boundary lines of the

Unit and servicing only that Unit. If a Unit has its own bathroom, then the bathroom and all bathroom fixtures are part of the Unit. Notwithstanding the fact that they may be within the boundaries of the Unit, the following are not part of any Unit: bearing walls, floor areas beneath dividing walls or load bearing columns, structural support elements of the Building, ceilings and roofs (except the interior finished surfaces thereof), foundations, footings, ceiling equipment, tanks, pumps, pipes, vents, ducts, shafts, flues, chutes, conduits, wires and other utility installations, except the outlets thereof when located within the Unit. Exhibit A hereto contains the Building and unit number of each Unit in the Condominium Project.

For purposes of interpreting this Declaration and the Plat, the boundaries of all Units constructed in substantial compliance with the Plat and this Declaration shall be conclusively presumed to be the actual boundaries (as built) rather than the descriptions and depictions of the Units on the Plat, regardless of minor variances between the boundaries shown on the Plat and the constructed boundaries of the Units.

6. COMMON AREAS AND FACILITIES.

6.1. The Common Areas and Facilities shall mean and include the Property on which all Units are located and all portions of the Condominium Project not included as part of any Unit, including, but not by way of limitation, the foundation, columns, girders, beams, supports, exterior and bearing walls, roofs, utility rooms containing utility switches or connections for more than one (1) Unit, exterior siding, stairwells, lobbies, fire escapes and entrances and exits of the Building; the grounds and parking areas; installations of all central services, including power, light, gas, hot and cold water, heating, ventilating and garbage collection; tanks, pumps, motors, fans, ducts and, in general, all apparatuses and installations existing for common use; all utility pipes, lines or systems servicing the Units as a whole and not exclusively servicing only one Unit; all ducts, flues, chutes, wires, conduits and other accessories and utility installations to the outlets used therewith; 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 on the Plat; and all repairs and replacements of any of the foregoing.

6.2. Notwithstanding any provision to the contrary in this Declaration, the Common Areas of each Building (e.g., the foundation, columns, girders, beams, supports, exterior and bearing walls, roofs, exterior siding, and entrances and exits) shall be considered Common Areas and Facilities of the Condominium Association, and the costs of maintenance, repair and replacement of such Common Areas shall be deemed to be Common Expenses of the entire Condominium Association even though some Buildings contain fewer Units than other Buildings in the Project (and even if the Common Areas of some Buildings require more maintenance and repair than the Common Areas of other Buildings in the Project).

6.3. The undivided interest in the Common Areas and Facilities appurtenant to each Unit is set forth in Exhibit A attached hereto. The undivided interest appurtenant to each Unit is calculated based on the Size of each Unit compared to the aggregate Size of all Units in the Condominium Project. The undivided interest in the Common Areas and Facilities that is appurtenant to each Unit shall have a permanent character and shall not be altered. The Condominium Association is responsible to maintain and repair the Common Areas and Facilities,

and all such costs and expenses incurred in fulfilling this obligation are deemed to be Common Expenses of the Association.

6.4. The Additional Parking Area (defined in Section 2.3 above) shall be treated as Common Areas and Facilities (meaning the Condominium Association shall be responsible to manage, maintain, and repair the Additional Parking Area if it is improved as a parking surface for use by Owners and their tenants, guests, customers and invitees) even though the Additional Parking Area is not formally part of the Project. Inasmuch as the Additional Parking Area is intended to be a common benefit and amenity for the Owners, the Condominium Association shall automatically be deemed to have assumed, and be obligated to perform and satisfy, all obligations of the "Lessee" under the PacifiCorp Lease referenced in Section 2.3 above after the Additional Parking Area surface is improved for parking use of the Project.

6.5. The Project includes underground stormwater (or "storm chamber") detention facilities as shown on the Plat (located to the East of Buildings B and C). Unless and until said stormwater improvements are dedicated to, and accepted by, Bluffdale City (such that they will thereafter be maintained by the City as public improvements), they shall be deemed to be, and treated as, Common Areas and Facilities of the Condominium Association, and the Condominium Association shall be responsible to maintain, service, and repair the same as a Common Expense. There is no guarantee or assurance that the City will agree to accept and maintain the stormwater improvements as public improvements.

6.6. All sewer laterals providing sewer service to the Buildings and Units shall be deemed to be Common Areas and Facilities of the Condominium Project. The Condominium Association shall (i) manage and maintain all such sewer laterals, and (ii) pay the bills/charges for sewer service. The Condominium Association shall be responsible to pay all expenses necessary to service, maintain, and clear out sewer laterals and sewer lateral backups. All such costs and expenses incurred by the Condominium Association regarding the sewer laterals shall be Common Expenses of the Association, paid for and enforced through the Condominium Association's assessment and lien enforcement rights provided in this Declaration.

7. LIMITED COMMON AREAS AND FACILITIES.

7.1. Limited Common Areas and Facilities shall mean a portion of the Common Areas and Facilities reserved for the use of certain Owners to the exclusion of other Owners, as indicated by the Plat (i.e., areas/improvements for the exclusive use of one or more but fewer than all of the Units). Mechanical systems serving only certain Units shall be Limited Common Areas and Facilities with respect to the Units which they serve. Owners may not reallocate Limited Common Areas and Facilities between or among Units in which they have an interest. The Condominium Association shall maintain and repair all Limited Common Areas as a Common Expense of the Condominium Association.

7.2. Notwithstanding the preceding language in Section 7.1, the Board of Trustees of the Condominium Association shall have the right to approve a Unit Owner's request to modify certain portions of the Common Areas and Facilities (herein referred to as an "Approved Modification"). By way of example, the Owner of the Unit in Building A or Building D may request to modify the roof to provide for rooftop uses, or to modify the landscaping/grounds around

said Building. The Board may approve such a modification request but only if: (i) the proposed modification will not affect the structural integrity of the Building or cause any negative impact to an adjacent Unit (as certified by a licensed engineer); (ii) the Owner requesting the modification agrees in a written instrument to be recorded against the Owner's Unit that the Owner will satisfy all costs of the Approved Modification, and the Owner (and its successors in interest) shall indemnify and hold harmless the Condominium Association and all other Unit Owners from and against all claims, liabilities, costs, expenses, liens, fees, charges, actions, damages, and injuries arising out of or relating to the construction of the Approved Modification and the existing and future use of the Approved Modification; and (iii) the Owner acknowledges and agrees in a recorded instrument that the Condominium Association shall have no obligation to maintain or repair the Approved Modification at any time in the future.

8. NATURE AND INCIDENTS OF UNIT OWNERSHIP.

8.1. Each Unit is a parcel of real property which may be separately held, conveyed, devised, mortgaged, encumbered, leased, rented, used, occupied, improved and otherwise affected in accordance with the provisions of this Declaration.

8.2. Subject to the limitations contained in this Declaration, each Owner shall have the non-exclusive right to use and enjoy the Common Areas and Facilities and the exclusive right to occupy and use their Unit and any Limited Common Areas and Facilities designated for exclusive use by such Owner or all Owners.

8.3. Except as otherwise provided herein, each Owner shall have the exclusive right to paint, repaint, tile, wax, paper, carpet or otherwise decorate the interior surfaces of the walls, ceilings, floors and doors forming the boundaries of their Unit and the surfaces of all walls, ceilings, floors and doors within such boundaries. Each Owner shall keep the interior of their Unit, including without limitation, interior walls, windows, ceilings, floors and permanent fixtures and appurtenances thereto, in a sanitary condition and in a good state of repair. In the event that any such Unit should develop an unsanitary condition or fall into a state of disrepair and in the event that the Owner of such Unit should fail to correct such condition or state of disrepair promptly following written notice from the Management Committee, the Management Committee shall have the right, at the expense of the Owner and without liability to the Owner for trespass or otherwise, to enter said Unit and correct or eliminate said unsanitary condition or state of disrepair. Owners of adjoining Units may not reallocate or change the boundaries of such Units. Except as otherwise provided herein, no Owner may subdivide their Unit.

8.4. Notwithstanding the language in the preceding Section 8.3, if an Owner owns two (2) or more adjacent Units, the Owner may utilize the Units as if they were one (1) Unit (by removing the dividing wall (without impairing the structural integrity of the Building) or widening the opening(s) between the two (2) Units. Dividing walls may be removed or modified only with the prior written approval of the Board of the Condominium Association. In no event may a dividing wall be removed or modified in any manner that will impair or jeopardize the structural integrity of the Building. All dividing walls are Common Areas of the Association. The Owner shall remain fully responsible for paying all assessments and obligations of both Units. Any Owner electing to utilize adjacent Units in this manner is responsible for all costs and expenses of modifying the dividing wall between the Units (and, if later reinstalled, reinstalling the dividing

wall with the same quality and design as the original dividing wall), and shall indemnify and hold the Association and other Owners harmless from and against any and all claims, liabilities, injuries, costs, expenses, damages, and fees relating to or arising out of the modifications or reinstallation of the dividing wall.

8.5. The Management Committee shall have the right, if reasonably necessary, to enter into any Unit for the purpose of cleaning, maintenance, repairs, including emergency repairs, and for the purpose of abating a nuisance, or a known or suspected dangerous or unlawful activity.

9. TITLE TO UNITS.

9.1. Title to a Unit within the Condominium Project may be held or owned by any person or entity and in any manner in which title to any other real property may be held or owned in the State of Utah.

9.2. Title to any part of a Unit within the Condominium Project shall not be separated from any other part thereof during the period of ownership, and each Unit, and the undivided interest in the Common Areas and Facilities appurtenant to each Unit, shall always be conveyed, devised, encumbered and otherwise affected only as a complete Unit. Every gift, devise, bequest, transfer, encumbrance, conveyance or other disposition of a Unit, or any part thereof, shall be construed to be a gift, devise, bequest, transfer, encumbrance or conveyance, respectively, of the entire Unit, together with all appurtenant rights created by law and by this Declaration, including appurtenant membership in the Condominium Association as herein set forth.

9.3. No Owner shall be permitted to timeshare or allow any form of interval ownership or interval right to use form of timesharing of any Unit within the Condominium Project.

9.4. The Common Areas and Facilities shall be owned in common by all of the Owners (with each Unit and the owners of each Unit holding an undivided percentage interest in the Common Areas and Facilities as described in Section 6.3 above), and no Owner may bring any action for partition thereof.

9.5. Each Owner shall have the right to encumber his interest in a Unit with a Mortgage. However, no Owner shall attempt to or shall have the right to encumber the Common Areas and Facilities or any part thereof except the undivided interest therein appurtenant to his interest in a Unit. Any Mortgage of any Unit within the Condominium Project shall be subordinate to all of the provisions of this Declaration, and in the event of foreclosure the provisions of this Declaration shall be binding upon any Owner whose title is derived through foreclosure by private power of sale, judicial foreclosure, or otherwise.

9.6. No labor performed or services or materials furnished with the consent of or at the request of an Owner may be the basis for the filing of a lien against the Unit of any other Owner, or against any part thereof, or against any other property of any other Owner, unless the other Owner has expressly consented to or requested the performance of such labor or furnishing of such services. Express consent shall be deemed to have been given by the Owner in the case of emergency repairs thereto. Labor performed or services or materials furnished for the Condominium Project, if authorized by the Condominium Association and provided for in the

Declaration, shall be deemed to be performed or furnished with the express consent of each Owner. The Owner may remove his Unit from a lien against two or more Units or any part thereof by payment to the holder of the lien of the fraction of the total sums secured by such lien which is attributable to his Unit.

9.7. Every contract for the sale of a Unit and every other instrument affecting title to a Unit within the Condominium Project may describe a Unit by the name of the Condominium Project, the county wherein the Condominium Project is located and its unit number as indicated in this Declaration or as shown on the Plat. Such description will be construed to describe the Unit, together with the appurtenant undivided interest in the Common Areas and Facilities, and to incorporate all the rights incident to ownership of a Unit within the Condominium Project and all of the limitations on such ownership as described in this Declaration.

9.8 Nothing in this Declaration shall adversely impact the rights of a Mortgagee or its assignee to take any of the following actions: (i) foreclose or take title to a Unit pursuant to the remedies in the Mortgage; (ii) accept a deed or assignment in lieu of foreclosure in the event of default by an Owner subject to such Mortgage; or (iii) sell or lease a Unit acquired by the Mortgagee or its assignee.

10. RESTRICTIONS ON USE.

The Units and Common Areas and Facilities, including but not limited to the Limited Common Areas and Facilities, except as otherwise permitted in writing by the Management Committee, shall be used in accordance with the following restrictions:

10.1. Zoning. Units in the Project may be used in any manner permitted or otherwise allowed under the zoning ordinances of Bluffdale City. Units shall not be used for residential purposes. Units shall not be used in any manner that violates applicable governmental laws, ordinances, codes, or regulations.

10.2. Nuisances; Safety Hazards. Units and Common Areas and Facilities shall not be used in any manner that constitutes a public or private nuisance. No noxious, destructive or offensive activity shall be carried on or placed in or upon any Unit, or in the Common Areas, or Limited Common Areas, or any part thereof, which shall interfere with the legal rights of other Owners nor shall anything be done therein which is or may become an annoyance or nuisance to any other Owner or to any person at any time lawfully residing in the Condominium Project. No activities shall be conducted, nor improvements constructed, in or upon any part of the Condominium Project which are or may become unsafe or hazardous to any person or property. Without limiting the breadth of the foregoing, aluminum foil, newspapers, or any other similar materials may not be used to cover the windows in any Unit.

10.3. Noise. No activities or uses of any kind are allowed that produce noise or sound which may be heard outside of any Building and is objectionable due to intermittence, beat, frequency, bass, shrillness or loudness.

10.4. Offensive or Dangerous Activities. No activities or uses are allowed if they: (i) produces any noxious odor or which may be smelled outside any Building on the Property; (ii)

produce excessive quantities of dust, dirt or ash; (iii) involve or cause fire, explosives, fireworks, or other damaging or dangerous materials or products; (iv) involve drilling or the removal of subsurface minerals or substances of any kind; (v) involve automobile sales or automobile parts sales, service or repair, or auto body/repair services; (vi) involve second-hand sales, sales of used merchandise, auctions, flea markets, fire sales, or going out of business sales; or (vii) involve the display or distribution of pornographic materials, adult books and magazines, X-rated videos or similar productions, strip clubs, marijuana dispensers, or other similar inappropriate and undesired uses or activities.

10.5. Outdoor Storage. No outdoor storage of any machines, equipment or inventory is allowed. All equipment, inventory, materials and machines must be kept and stored inside the Unit.

10.6. Dumping/Refuse. No activities or uses are allowed if they involve dumping, disposal, incineration, or reduction of garbage or refuse, other than in enclosed receptacles intended for such purposes.

10.7. Other Prohibited Uses. No activities or uses are allowed if they involve sales of beer or alcohol, cocktail lounge uses, disco, bowling alley, pool hall, skating rink, roller rink, or amusement arcade.

10.8. Signs. No signs, flags or advertising devices of any nature, including, without limitation, informational or directional signs or devices, shall be erected or maintained on any part of the Condominium Project, without the prior written approval of the Management Committee, except as may be customary in marketing a Unit "for sale" in accordance with reasonable sign restrictions that the Management Committee is authorized to adopt and enforce.

10.9. No Subdivision. No Unit, or portions thereof, may be further divided or subdivided into two or more other Units. This provision does not prohibit a Unit from being owned by more than one person in the form of a tenancy in common or other form of joint undivided ownership. An Owner may lease portions of a Unit to two or more tenants.

10.10. Remodeling; Construction Work. No Owner shall, without the prior written consent of the Management Committee, do any act that would impair the structural soundness or integrity of the Building or the safety of property, impair any easement or hereditament appurtenant to the Condominium Project, or make or permit to be made any alteration, improvement or addition to the Common Areas and Facilities. Owners may remodel or redecorate the interior space of their Units, without Management Committee approval, so long as the remodeling or redecoration involves quality workmanship and materials and does not impair the structure integrity of the Buildings.

10.11. No Obstruction of Common Areas. There shall be no obstruction of the Common Areas and Facilities by any Owner. Owners shall neither store nor leave any of their property in the Common Areas and Facilities, other than Limited Common Areas and Facilities appurtenant to their Unit, except with the prior consent of the Management Committee.

10.12. Insurance Protection; Ordinances. Nothing shall be done or kept in any Unit or in the Common Areas and Facilities or any part thereof which would result in cancellation of the insurance on the Condominium Project or any part thereof, nor shall anything be done or kept in any Unit which would increase the rate of insurance on the Condominium Project or any part thereof over what the Condominium Association but for such activity, would pay, without the prior written consent of the Management Committee. Nothing shall be done or kept in any Unit or in the Common Areas and Facilities or any part thereof which would be in violation of any statute or rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body. No damage to, or waste of, the Common Areas and Facilities or any part thereof shall be committed by any Owner or guest, lessee, licensee or invitee of any Owner, and each Owner shall indemnify and hold the Condominium Association and the other Owners harmless against all loss resulting from any such damage or waste caused by him or his guests, lessees, licensees or invitees.

10.13. Rules and Regulations. Each Owner shall comply strictly with all rules and regulations adopted by the Management Committee of the Condominium Association for the governance of the Units, the Common Areas and the Condominium Project, as such rules and regulations may be modified, amended and construed by the Condominium Association in the sole and reasonable discretion of the Management Committee.

10.14. Leases. If Owners choose to lease or rent their Units, all leases and rental agreements shall be subject in all respects to the provisions of this Declaration, the Articles and Bylaws; and, any failure by the lessee/tenant to comply with the terms of such documents shall be a default under the Lease. All such lease/rental agreements shall be in writing and a copy of the same shall be filed with the Condominium Association. An Owner shall be responsible and liable for any damage to the Condominium Project caused by its tenant.

11. CONDOMINIUM ASSOCIATION AND MANAGEMENT COMMITTEE.

11.1. Each Owner shall be a member of the Condominium Association. Membership will begin immediately and automatically upon becoming an Owner and shall terminate immediately and automatically upon ceasing to be an Owner. If title to a Unit is held by more than one person, the membership appurtenant to that Unit shall be shared by all such persons in the same proportionate interest and by the same type of tenancy in which title to the Unit is held. An Owner shall be entitled to one membership for each Unit owned by him. Each membership shall be appurtenant to the Unit to which it relates and shall be transferred automatically by conveyance of that Unit. Ownership of a Unit within the Condominium Project cannot be separated from the Condominium Association membership appurtenant thereto, and any devise, encumbrance, conveyance or other disposition of a Unit shall constitute a devise, encumbrance, conveyance or other disposition, respectively, of such Owner's membership in the Condominium Association and the rights appurtenant thereto. No person or entity other than an Owner may be a member of the Condominium Association, and membership in the Condominium Association may not be transferred except in connection with the transfer of a Unit.

11.2. The Condominium Association shall be governed by the following provisions:

11.2.1. The management and maintenance of the Condominium Project and the administration of the affairs of the Condominium Association shall be conducted by a

Management Committee (also known as the Board of Trustees) consisting of three (3) natural persons as provided in the Bylaws. The Management Committee shall be elected as provided in this Declaration and in the Bylaws.

11.2.2. Except as otherwise provided herein, the Management Committee shall have all the powers, duties and responsibilities as are now or may hereafter be provided by the Act, this Declaration and the Bylaws, including but not limited to the following:

11.2.2.1. To make and enforce all rules and regulations covering the operation and maintenance of the Condominium Project and the Units.

11.2.2.2. To carry out through a Manager those of its functions which are properly the subject of delegation. The Manager so engaged shall be an independent contractor and not an agent or employee of the Condominium Association or Management Committee, shall be responsible for managing the Condominium Project for the benefit of the Condominium Association and the Owners, and shall, to the extent permitted by law and by the terms of the agreement with the Management Committee, be authorized to perform any of the functions or acts required or permitted to be performed by the Management Committee itself.

11.2.2.3. To engage the services of accountants, attorneys or other employees or agents and to pay to said persons a reasonable compensation therefor.

11.2.2.4. To operate, maintain, repair, improve and replace the Common Areas and Facilities.

11.2.2.5. To determine and pay the Common Expenses.

11.2.2.6. To assess and collect the proportionate share of Common Expenses from the Owners, as provided in Section 19 hereinafter.

11.2.2.7. 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.

11.2.2.8. To open bank accounts on behalf of the Condominium Association and to designate the signatories therefor.

11.2.2.9. To purchase, hold, sell, convey, mortgage or lease any one or more Units in the name of the Condominium Association or its designee.

11.2.2.10. To bring, prosecute and settle litigation for itself, the Condominium Association and the Condominium Project, provided that it shall make no settlement which results in a liability against the Management Committee, the Condominium Association or the Condominium Project in excess of \$50,000 without the prior approval of a majority of the Total Votes of the Condominium Association at a meeting or by written ballot distributed to Owners by mail;

provided, any settlement which would be paid from proceeds of insurance which may be settled by the Condominium Association's insurance carrier and which in either case results in no actual liability of funds of the Condominium Association in excess of \$25,000 shall not require Condominium Association approval.

11.2.2.11. To obtain insurance for the Condominium Association with respect to the Buildings and the Common Areas and Facilities, as well as worker's compensation insurance, as needed.

11.2.2.12. To repair or restore the Condominium Project following damage or destruction or a permanent taking by the power of or power in the nature of eminent domain or by an action or deed in lieu of condemnation not resulting in the removal of the Condominium Project from the provisions of the Act.

11.2.2.13. To own, purchase or lease, hold and sell or otherwise dispose of, on behalf of the Condominium Association, items of personal property necessary to or convenient to the management of the business and affairs of the Condominium Association and the Management Committee and to the operation of the Condominium Project, including without limitation furniture, furnishings, fixtures, maintenance equipment, appliances and supplies.

11.2.2.14. To keep adequate books and records and implement the policies and procedures for the inspection of the books and records of the Condominium Project by Owners in accordance with the terms of the Bylaws. The Condominium Association or the Management Committee shall make available to the Owners, Mortgagees and the holders, insurers and guarantors of the First Mortgage on any Unit current copies of the Declaration, Articles, Bylaws and other rules governing the Condominium Project and other books, records and financial statements of the Condominium Association. "Available" shall mean available for inspection, upon request, during normal business hours or under other reasonable circumstances.

11.2.2.15. To do all other acts necessary for the operation and maintenance of the Condominium Project, including the maintenance and repair of any Unit if the same is necessary to protect or preserve the Condominium Project.

11.2.2.16. To prepare, adopt, amend and disseminate budgets and other information from time to time in accordance with the terms of the Bylaws.

11.2.2.17. To grant conveyances, easements and rights-of-way over the Common Areas and Facilities.

11.2.2.18. Members of the Management Committee, the officers and any assistant officers, agents and employees of the Condominium Association (i) shall not be liable to the 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; (ii) shall have no personal liability in contract to an Owner or any other person or entity under any agreement, instrument or transaction entered into by them on

behalf of the Condominium Association in their capacity as such; (iii) shall have no personal liability in tort to any 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, nor for acts performed for them in their capacity as such; and (iv) shall have no personal liability arising out of the use, misuse or condition of the Condominium Project, which might in any way be assessed against or imputed to them as a result or by virtue of their capacity as such.

11.2.2.19. When a member of the Management Committee is sued for liability for actions undertaken in his role as a member of the Management Committee, the Condominium Association shall indemnify him for his losses or claims, and undertake all costs of defense, until and unless it is proven that he acted with willful or wanton misfeasance or with gross negligence. After such proof the Condominium Association is no longer liable for the cost of defense, and may recover costs already expended from the member of the Management Committee who so acted. Members of the Management Committee are not personally liable to the victims of crimes occurring at the Condominium Project. Punitive damages may not be recovered against the Condominium Association, but may be recovered from persons whose gross negligence gave rise to the damages.

11.2.3. Neither the Management Committee nor the Manager, if any, shall sell any Property of the Condominium Association except as permitted by the Act and this Declaration.

12. MAINTENANCE, ALTERATION AND IMPROVEMENT.

12.1. The Management Committee, acting on behalf of the Condominium Association and, subject to the rights and duties of the Owners as set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Areas and Facilities and all improvements thereon and shall keep the same in a good, clean, attractive, safe and sanitary condition, order and repair; provided, however, that unless otherwise stated herein, each Owner shall keep the Limited Common Areas designated for use in connection with his Unit in a clean, sanitary and attractive condition. The Management Committee shall be responsible for the maintenance and repair of the exterior of the Building, other improvements and grounds, including, without limitation, painting thereof, repair and replacement of exterior trim, siding, railings, roof and fences, cleaning, repair, and the maintenance of all landscaping, fire and landscaping sprinkling systems, walkways and driveways, and the Additional Parking Area (defined in Section 2.3 above), as applicable. The Management Committee shall also be responsible for maintenance, repair and replacement of Common Areas and Facilities within the Building, and any items located within or used in connection with the Common Areas and Facilities. The costs associated with the maintenance, replacement and repair of the Common Areas and Facilities shall be a Common Expense. The costs of fulfilling the obligations of the "Lessee" under the PacifiCorp Lease (defined in Section 2.3 above) shall also be a Common Expense of the Condominium Association.

12.2. Some of the Common Areas and Facilities are or may be located within the Units or may be conveniently accessible only through the Units. The Condominium Association shall have the irrevocable right to have access to each Unit and to all Common Areas and Facilities from

time to time during such reasonable hours as may be necessary for the cleaning, repair or replacement of any Common Areas and Facilities or for making any emergency repairs at any time and when necessary to prevent damage to the Common Areas and Facilities or to any Unit. The Condominium Association shall also have the irrevocable right to have access to any Unit when necessary in connection with any cleaning, maintenance, repair, replacement, painting, landscaping, construction or reconstruction for which the Condominium Association is responsible or for the purpose of abating a nuisance or a known or suspected dangerous or unlawful condition. Such entry shall be made with as little inconvenience to the Owners as is practicable under the circumstances and any damage caused thereby shall be repaired by the Condominium Association.

12.3. Additions or Capital Improvements to the Condominium Project which cost no more than \$50,000 (as measured by 2021 dollars) may be authorized by the Management Committee alone, so long as the Condominium Association has such funds available to it without imposing a special assessment. Additions or Capital Improvements the cost of which exceeds \$50,000 must, prior to being constructed, be authorized by at least a majority of the undivided ownership interests in the Condominium Project.

12.4. No Owner shall enlarge or otherwise modify the exterior of his/her Unit or Limited Common Area or add any devices or structures such as, for illustration and not limitation, fences, greenhouses, solariums, room additions, or decks. Interior modifications are not limited so long as they do not impair or negatively affect the structural integrity of the Building.

12.5. Should any improvement or modification to a Unit or to the Project by an Owner cause any increase in the cost of the Condominium Association's insurance, painting, or other expense, such increase in expense shall be added to the affecting Owner's monthly assessment. Further, any such additional expense affected thereby and applicable to non-yearly periodic maintenance projects such as, but not limited to, roofing, staining or painting, shall also be added to any special assessment of the Owner.

13. INSURANCE.

13.1. The Condominium Association shall at all times maintain in force insurance meeting the following requirements:

13.1.1. A "master" or "blanket" type policy of property insurance shall be maintained covering the entire Condominium Project, including: Common Areas and Facilities; the Building including all Units (other than the interior contents thereof); fixtures, building service equipment, personal property and supplies comprising a part of the Common Areas or Facilities or owned by the Condominium Association, but excluding land, foundations, excavations, and other items normally not covered by such policies. References herein to a "master" or "blanket" type policy of property insurance are intended to denote single entity condominium insurance coverage. As a minimum, such "master" or "blanket" policy shall afford protection against loss or damage by fire, by other perils normally covered by the standard extended coverage endorsement, and by all other perils which are customarily covered with respect to projects similar to the Condominium Project in construction, location, and use, including (without limitation) all perils normally covered by the standard "all risk" endorsement, where such endorsement is available. Such

“master” or “blanket” policy shall be in an amount not less than one hundred percent (100%) of current replacement cost of all elements of the Condominium Project covered by such policy, exclusive of land, foundations, excavation, and other items normally excluded from coverage. If the Management Committee deems such advisable, the insurance 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, if the policy includes a co-insurance clause, an Agreed Amount Endorsement (which waives the requirement for co-insurance); or (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 no more) and, if the policy includes a co-insurance clause, an Agreed Amount Endorsement (which waives the requirement for co-insurance). Unless the Management Committee otherwise determines, the maximum deductible amount for such a policy covering the Common Areas and Facilities shall be Ten Thousand Dollars (\$10,000.00) and for losses related to individual Units that are covered by such a policy, the maximum deductible related to each individual Unit shall be Five Thousand Dollars (\$5,000.00). Funds to cover these deductible amounts shall be included in the Condominium Association’s operating reserve account.

13.1.2. If a Unit within the Condominium Project is or comes to be situated in a Special Flood Hazard Area as designated on a Flood Insurance Rate Map, a “master” or “blanket” policy of flood insurance shall be maintained covering the Building (a separate policy is required for each separate multi-story building that houses Units), any machinery and equipment that are not part of a Building and all Common Areas and Facilities within the Condominium Project (hereinafter “Insurable Property”) in an amount deemed appropriate, but not less than the lesser of: (1) the maximum limit of coverage available under the National Flood Insurance Administration Program for the Building and any other Insurable Property within any portion of the Condominium Project located within a designated flood hazard area; or (2) one hundred percent (100%) of the insurable value of all such facilities. The maximum deductible amount for any such policy shall be the lesser of Twenty Thousand Dollars (\$20,000.00) or two percent (2%) of the policy face amount.

13.1.3. The name of the insured under each policy required to be maintained by the foregoing Sections 13.1.1 and 13.1.2 shall be the Condominium Association for the use and benefit of the individual Owners. (Said Owners shall be designated by name, if required.) Notwithstanding the requirement of the two immediately foregoing sentences, each such policy may be issued in the name of an authorized representative of the Condominium Association, including any Insurance Trustee with whom the Condominium Association has entered into an Insurance Trust Agreement, or any successor to such Trustee, for the use and benefit of the individual Owners. Loss payable shall be in favor of the Condominium Association (or Insurance Trustee), as a trustee for each Owner and each such Owner’s Mortgagee. Each Owner and each such Owner’s Mortgagee, if any, shall be beneficiaries of such policy. Evidence of insurance shall be issued to each Owner and Mortgagee upon request.

13.1.4. Each policy required to be maintained by the foregoing Sections 13.1.1 and 13.1.2 shall contain the standard mortgage clause, or equivalent endorsement (without contribution), commonly accepted by private institutional mortgage investors in the area in which the Condominium Project is located. In addition, such mortgage clause or another appropriate provision of each such policy shall provide that the policy may not be canceled or substantially modified without at least ten (10) days' prior written notice to the Condominium Association and to each Mortgagee which is listed as a scheduled holder of a Mortgage in the policy.

13.1.5. Each policy required to be maintained by the foregoing Sections 13.1.1 and 13.1.2 shall provide, if available, for the following: recognition of any insurance trust agreement; a waiver of the right of subrogation against Owners individually; the insurance is not prejudiced by any act or neglect of individual Owners which is not in the control of such Owners collectively or the Condominium Association; and the policy is primary in the event the Owner has other insurance covering the same loss.

13.1.6. In contracting for the policies of insurance required to be maintained by the foregoing provisions of this Section 13, the Management Committee shall make reasonable efforts to secure, if the Management Committee deems such advisable, coverage which provides the following endorsements: (1) "Inflation Guard Endorsement" (2) "Building Ordinance or Law Endorsement", if the enforcement of any building, zoning, or land use law will result in loss or damage, increased cost of repairs or reconstruction, or additional demolition and removal costs. (The endorsement must provide for contingent liability from the operation of building laws, demolition costs, and increased costs of reconstruction); and (3) "Steam Boiler and Machinery Coverage Endorsement", if the Condominium Project has central heating or cooling, which shall provide that the insurer's minimum liability per accident at least equals the lesser of Two Million Dollars (\$2,000,000.00) or the insurable value of the Building containing the boiler or machinery. In lieu of obtaining this as an endorsement to the commercial package property, the Condominium Association may purchase separate stand-alone boiler and machinery coverage.

13.1.7. The Condominium Association shall at all times maintain in force and pay the premiums for "blanket" fidelity bonds for all officers, members, and employees of the Condominium Association and for all other persons handling or responsible for funds of or administered by the Condominium Association whether or not that individual receives compensation for services. Furthermore, where the Condominium Association has delegated some or all of the responsibility for the handling of funds to the Manager, the Manager shall provide "blanket" fidelity bonds, with coverage identical to such bonds required of the Condominium Association, for the Manager's officers, employees and agents handling or responsible for funds of, or administered on behalf of, the Condominium Association. The total amount of fidelity bond coverage required shall be based upon the Condominium Association's best business judgment and shall not be less than the estimated maximum of funds, including reserve funds, in the custody of the Condominium Association, or the Manager, as the case may be, at any given time during the term of each bond. The bonds required shall meet the following additional requirements: (1) the fidelity

bonds shall name the Condominium Association as obligee; (2) the bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees", or similar terms or expressions; (3) the premiums on all bonds required herein for the Condominium Association (except for premiums on fidelity bonds maintained by the Manager for its officers, employees and agents) shall be paid by the Condominium Association as part of the Common Expenses; and (4) the bonds shall provide that they may not be canceled or substantially modified (including cancellation for nonpayment of premium) without at least ten (10) days' prior written notice to the Condominium Association.

13.1.8. The Condominium Association shall maintain in force, and pay the premium for a policy providing commercial general liability insurance coverage covering all of the Common Areas and Facilities, Building exteriors, public ways in the Condominium Project, all other areas of the Project that are under the Condominium Association's supervision, and any commercial spaces owned by the Condominium Association, if any, whether or not such spaces are leased to some third party. The coverage limits under such policy shall be in amounts generally required by private institutional mortgage investors for projects similar to the Condominium Project in construction, location, and use. Nevertheless, such coverage shall be for at least Two Million Dollars (\$2,000,000) for bodily injury, including deaths of persons, and property damage arising out of a single occurrence. Coverage under such policy shall include, without limitation, legal liability of the insureds for property damage, bodily injuries and deaths of persons in connection with the operation, maintenance, or use of the Common Areas and Facilities, Building exteriors, and legal liability arising out of lawsuits related to employment contracts of the Condominium Association. Additional coverages under such policy shall include protection against such other risks as are customarily covered with respect to projects similar to the Condominium Project in construction, location, and use, including but not limited to (where economically feasible and if available), host liquor liability, contractual and all-written contract insurance, employers liability insurance, and comprehensive automobile liability insurance. If such policy does not include "severability of interest" in its terms, the policy shall include a special endorsement to preclude an insurer's denial of any Owner's claim because of negligent acts of the Condominium Association or any other Owner. Such policy shall provide that it may not be canceled or substantially modified, by any party, without at least ten (10) days' prior written notice to the Condominium Association and to each First Mortgagee which is listed as a scheduled holder of a Mortgage in such policy.

13.1.9. Notwithstanding any of the foregoing provisions and requirements relating to property or liability insurance, there may be named as an insured on behalf of the Condominium Association, the Condominium Association's authorized representative, including any trustee with whom the Condominium Association may enter into any Insurance Trust Agreement or any successor to such trustee (each of whom shall be referred to herein as the "Insurance Trustee"), who shall have exclusive authority to negotiate losses under any policy providing such property or liability insurance. Each Owner hereby appoints the Condominium Association, or any Insurance Trustee or substitute Insurance Trustee designated by the Condominium Association, as his or her attorney-in-fact for the

purpose of purchasing and maintaining such insurance, including: the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accomplish such purpose. The Condominium Association, or any Insurance Trustee, shall receive, hold, or otherwise properly dispose of any proceeds of insurance in trust for the use and benefit of the Owners and their Mortgagees, as their interests appear.

Each insurance policy maintained pursuant to this Declaration shall be written by an insurance carrier which is licensed to transact business in the State of Utah and which has a B general policyholder's rating or a financial performance index of 6 or better in the Best's Key Rating Guide or an A or better rating from Demotech, Inc., or which is written by Lloyd's of London. 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, an Owner, a Mortgagee, the Management Committee, or the Condominium Association; (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; or (3) the policy includes any limiting clauses (other than insurance conditions) which could prevent the party entitled (including, without limitation, the Management Committee, the Condominium Association, or Owner) from collecting insurance proceeds. The provisions of this Declaration shall not be construed to limit the power or authority of the Condominium Association to obtain and maintain insurance coverage, in addition to any insurance coverage required hereunder, in such amounts and in such forms as the Board Members of the Condominium Association may deem appropriate from time to time.

13.1.10. All insurance policies shall be reviewed at least annually by the Management Committee in order to ascertain whether the coverage contained in the policies is sufficient to make any necessary repairs or replacement of the Condominium Project which may have been damaged or destroyed. In addition, such policies shall be reviewed to determine their compliance with the provisions of this Declaration.

14. DESTRUCTION OR DAMAGE.

14.1. All of the Owners irrevocably constitute and appoint the Condominium Association as their true and lawful attorney-in-fact in their name, place and stead for the purpose of dealing with the Condominium Project upon its damage or destruction as hereinafter provided. Acceptance by any grantee of a deed from any Owner shall constitute an appointment by said grantee of the Condominium Association as his or her attorney-in-fact as herein provided. As attorney-in-fact, the Condominium Association shall have full and complete authorization, right and power to make, execute and deliver any contract, deed or other instrument with respect to the interest of an Owner which may be necessary or appropriate to exercise the powers herein granted. All insurance proceeds shall be payable to the Condominium Association except as otherwise provided in this Declaration.

14.2. Repair and reconstruction of the improvements as used herein means restoring the Condominium Project to substantially the same condition in which it existed prior to the damage or destruction, with each Unit and the Common Areas and Facilities having substantially the same vertical and horizontal boundaries as before.

14.3. In the event all or any part of the Condominium Project is damaged or destroyed, the Condominium Association shall proceed as follows:

14.3.1. The Condominium Association shall give timely written notice to any holder of any First Mortgagee on a Unit in the event of substantial damage to or destruction of any part of the Common Areas or Facilities or a Unit subject to such First Mortgage.

14.3.2. As soon as practicable after an event causing damage to or destruction of any part of the Condominium Project, the Condominium Association shall obtain complete and reliable estimates of the costs to repair and reconstruct the part of the Condominium Project damaged or destroyed.

14.3.3. If the proceeds of the insurance of the Condominium Association equal or exceed the estimated costs to repair and reconstruct the damaged or destroyed part of the Condominium Project, such repair and reconstruction shall be carried out.

14.3.4. If the proceeds of the insurance maintained by the Condominium Association are less than the estimated costs to repair and reconstruct the damaged or destroyed part of the Condominium Project and if less than seventy-five percent (75%) of the Condominium Project is damaged or destroyed, such repair and reconstruction shall nevertheless be carried out. The Condominium Association shall levy a Special Common Assessment sufficient to provide funds to pay the actual costs of such repair and reconstruction to the extent that such insurance proceeds are insufficient to pay such costs. Such Special Common Assessment shall be allocated and collected as provided in Section 19.1.3 hereof, except that the vote therein specified shall be unnecessary. Further levies may be made in like manner if the amounts collected (together with the proceeds of insurance) are insufficient to pay all actual costs of such repair and reconstruction.

14.3.5. If the proceeds of the insurance maintained by the Condominium Association are less than the estimated costs to repair and reconstruct the damaged or destroyed part of the Condominium Project, and if seventy-five percent (75%) or more of the Condominium Project is damaged or destroyed, such damage or destruction shall be repaired and reconstructed, but only if within one hundred (100) days following the damage or destruction, Owners entitled to vote at least seventy-five percent (75%) of the votes of the Total Votes of the Condominium Association and Mortgagees that represent at least fifty-one (51%) of the votes of Units that are subject to Mortgages vote to carry out such repair and reconstruction. If, however, the Owners do not, within one hundred (100) days after such damage or destruction, elect by a vote of at least seventy-five percent (75%) of the votes of the Total Votes of the Condominium Association and Mortgagees that represent at least fifty-one (51%) of the votes of Units that are subject to Mortgages to carry out such repair and reconstruction, the Condominium Association shall record in the office of the County Recorder of Salt Lake County, State of Utah, a notice setting forth such facts. Upon the recording of such notice, the following shall occur:

14.3.5.1. The Condominium Project shall be deemed to be owned in common by the Owners;

14.3.5.2. Each Owner shall own an undivided interest in the Condominium Project equal to his ownership interest in the Common Areas and Facilities;

14.3.5.3. Any liens affecting any of the Units shall be deemed to be transferred, in accordance with the existing priorities, to the undivided interest of the respective Owner in the Condominium Project; and

14.3.5.4. The Condominium Project shall be subject to an action for partition at the suit of any Owner, in which event the net proceeds of any sale resulting from such suit for partition, together with the net proceeds of the insurance of the Condominium Project, if any, shall be considered as one fund and shall be divided among all Owners in an amount equal to the percentage of undivided interest owned by each Owner in the Condominium Project after first paying out of the respective share of each Owner, to the extent sufficient for the purposes, all liens on the undivided interest in the Condominium Project owned by such Owner.

14.3.5.5. In no event shall an Owner of a Unit or any other party have priority over the holder of any First Mortgage on such Unit with respect to the distribution to such Unit of any insurance proceeds.

14.4. If the damage or destruction is to be repaired or reconstructed as provided above, the Condominium Association shall, as soon as practicable after receiving the said estimate of costs, commence and diligently pursue to completion the repair and reconstruction of that part of the Condominium Project damaged or destroyed. The Condominium Association may take all necessary or appropriate action to effect repair and reconstruction, as attorney in fact for the Owners, and no consent or other action by any Owner shall be necessary in connection therewith, except as otherwise expressly provided herein. The Condominium Project shall be restored or repaired to substantially the same condition in which it existed prior to the damage or destruction, with each Unit and the Common Areas and Facilities having the same vertical and horizontal boundaries as before. Any restoration or repair of the Condominium Project, after a partial condemnation or damage due to an insurable hazard, shall be performed substantially in accordance with the Declaration and the original architectural plans and specifications.

14.5. If repair or reconstruction is to occur, the insurance proceeds held by the Condominium Association and any amounts received from Common Assessments shall constitute a fund for the payment of costs of repair and reconstruction after casualty. It shall be deemed that the first money disbursed in payment for costs of repair and reconstruction shall be made from insurance proceeds; if there is a balance after payment of all costs of such repair and reconstruction, such balance shall be distributed to the Owners equally.

14.6. This Section 14 shall not be amended unless Owners entitled to vote at least sixty-six percent (66%) of the Total Votes of the Condominium Association and, to the extent such amendment is materially adverse to Mortgagees, Mortgagees that represent at least fifty-one (51%) of the votes of Units that are subject to Mortgages consent and agree to such amendment and such consent and agreement is reflected in an instrument duly executed by the Condominium Association and recorded in accordance with the provisions of this Declaration.

15. TERMINATION.

15.1. Except as otherwise provided in this Declaration, the Condominium Project may be terminated only by agreement of Owners entitled to vote at least sixty-six percent (66%) of the Total Votes of the Condominium Association and Mortgagees that represent at least fifty-one (51%) of the votes of Units that are subject to Mortgages at a meeting of Owners and Mortgagees duly called for such purpose at which a quorum is present.

15.2. All of the Owners may remove the Condominium Project from the provisions of the Act by an instrument duly recorded to that effect, provided that the holders of all liens, including Mortgagees, affecting any of the Units consent or agree by instruments duly recorded that their liens are transferred to the fractional ownership interest of the Owners in the Condominium Project.

16. EMINENT DOMAIN.

16.1. Whenever any proceeding is instituted that could result in the temporary or permanent taking, injury or destruction of all or part of the Common Areas and Facilities or one or more Units or portions thereof by the exercise of the power of or power in the nature of eminent domain or by an action or deed in lieu of condemnation, the Management Committee and each Owner and Mortgagee shall be entitled to timely written notice thereof and the Management Committee shall, and the Owners and Mortgagees at their respective expense may, participate in the proceedings incident thereto.

16.2. With respect to the Common or Limited Common Areas and Facilities, any damages or awards shall be determined for such taking, injury or destruction as a whole and not for each Owner's interest therein. After such determination, each Owner, or Mortgagee to the extent of the unpaid balance of its Mortgage, shall be entitled to a share in the damages in the same proportion as his ownership interest in the Common Areas and Facilities.

16.3. With respect to one or more Units or portions thereof, the damages or awards for such taking shall be deemed to be proceeds from insurance on account of damage or destruction pursuant to Section 14 above and shall be deposited with the Management Committee as trustee. Even though the damages or awards may be payable to one or more Owners, the Owners shall deposit the damages or awards with the Management Committee as trustee. In the event an Owner refuses to so deposit his award with the Management Committee, then at the option of the Management Committee, either a Special Common Assessment shall be made against the defaulting Owner and his Unit in the amount of this award or the amount of such award shall be set off against the sum hereafter made payable to such Owner.

16.4. In the event the Condominium Project is removed from the provisions of the Act pursuant to Section 15 above, the proceeds of the damages or awards shall be distributed or used in accordance with the Owners respective undivided interest in the Common Areas and Facilities.

16.5. If one or more Units are taken, in whole or in part, and the Condominium Project is not removed from the provisions of the Act, the taking shall have the following effects:

16.5.1. If the taking reduces the size of a Unit and the remaining portion of the Unit may be made tenantable, the Unit shall be made tenantable. If the cost of such work exceeds the amount of the award, the additional funds required shall be assessed against the Owners of the Unit. The balance of the award, if any, shall be distributed to the Mortgagee to the extent of the unpaid balance of its Mortgage and the excess, if any, shall be distributed to the Owner.

16.5.2. If the taking destroys or so reduces the size of a Unit that it cannot be made tenantable, the award shall be distributed to the Mortgagee of the Unit to the extent of the unpaid balance of its Mortgage and the excess, if any, shall be distributed to the Owners thereof. The remaining portion of such Unit, if any, shall become a part of the Common Areas and Facilities and shall be placed in condition for use by all Owners in the manner approved by the Management Committee. The ownership interest in the Common Areas and Facilities appurtenant to the Units that continue as part of the Condominium Project shall be equitably adjusted to distribute the ownership of the Common Areas and Facilities among the reduced number of Owners.

16.6. Changes in Units, in the Common Areas and Facilities and in the ownership of the Common Areas and Facilities that are affected by the taking referred to in this Section 16.6 shall be evidenced by an Amendment to this Declaration and the Plat, which need not be approved by the Owners.

17. MORTGAGEE PROTECTION.

17.1. The Condominium Association shall maintain and have current copies of the Declaration, Articles, Bylaws, and other rules concerning the Condominium Project as well as its own books, records, and financial statements available for inspection by Owners or by holders, insurers, and guarantors of First Mortgages that are secured by Units in the Condominium Project. Generally, these documents shall be available during normal business hours.

17.2. The lien or claim against a Unit for unpaid assessments or charges levied by the Condominium Association pursuant to this Declaration shall be subordinate to the First Mortgage affecting such Unit if the First Mortgage was recorded before the delinquent assessment was due, and the First Mortgagee thereunder which comes into possession of or which obtains title to the Unit shall take the same free of such lien or claim for unpaid assessment or charges, but only to the extent of assessments or charges which accrue prior to foreclosure of the First Mortgage, exercise of a power of sale available thereunder, or taking of a deed or assignment in lieu of foreclosure. No assessment, charge, lien, or claim which is described in the preceding sentence as being subordinate to a First Mortgage or as not to burden a First Mortgagee which comes into possession or which obtains title shall be collected or enforced by the Condominium Association from or against a First Mortgagee, a successor in title to a First Mortgagee, or the Unit affected or previously affected by the First Mortgage concerned.

17.3. In the event any taxes or other charges which may or have become a lien on the Common Areas and Facilities are not timely paid, or in the event the required hazard insurance described in 13.1.1 lapses, is not maintained, or the premiums therefore are not paid when due, any Mortgagee or any combination of Mortgagees may jointly or singly, pay such taxes or

premiums or secure such insurance. Any Mortgagee which expends funds for any of such purposes shall be entitled to immediate reimbursement therefor from the Condominium Association.

17.4. No provision of this Declaration or the Articles gives or may give an Owner or any other party priority over any rights of Mortgagees pursuant to their respective Mortgages in the case of a distribution to Owners of insurance proceeds or condemnation awards for loss to or taking of all or any part of the Units or the Common Areas and Facilities.

18. AMENDMENT.

18.1. Except as provided elsewhere in this Declaration, any amendment to this Declaration or the Plat shall require the affirmative vote of at least sixty-six percent (66%) of the Total Votes of the Condominium Association cast in person or by proxy at a meeting duly called for such purpose or otherwise approved in writing by such Owners. Any amendments of a materially adverse nature to Mortgagees, after timely written notice to Mortgagees, must be agreed to by Mortgagees that represent at least fifty-one (51%) of the votes of Units that are subject to Mortgages. Any amendment authorized pursuant to this Section shall be accomplished through the recordation in the office of the Salt Lake County Recorder of an instrument executed by the Condominium Association. In such instrument an officer or a member of the Management Committee of the Condominium Association shall certify that the vote required by this Section for amendment has occurred.

18.2 With respect to the vote required by Mortgagees pursuant to Section 18.1, the Mortgagees approval of the amendment may be implied when a Mortgagee fails to submit a response to any written proposal for amendment within sixty (60) days after it receives proper notice of the proposal, provided the notice was delivered by certified or registered mail, with return receipt requested.

19. ASSESSMENT OF UNITS BY THE CONDOMINIUM ASSOCIATION.

19.1. Assessments. The making and collection of Common Assessments by the Condominium Association from Owners of Units for their share of Common Expenses shall be pursuant to the Bylaws and the following provisions:

19.1.1. Each Owner shall be liable for a proportionate share of the Common Expenses, such share being the same as the percentage of undivided ownership interest in the Common Areas and Facilities appurtenant to the Unit owned by him, as determined in accordance with the provisions of Section 6.3 above. Two separate and distinct funds shall be created and maintained hereunder, one for operating expenses and one for capital reserve expenses. Such combined expenses shall constitute the Common Expenses, and the funds received from Common Assessments under this Section 19 shall be the Common Expense Account. Common Assessments shall include both Regular Common Assessments and Special Common Assessments. Regular Common Assessments must be made at least annually, based on a budget adopted at least annually by the Condominium Association in accordance with the provisions of this Declaration and the Bylaws. Regular Common Assessments shall be levied against each separate Unit annually.

19.1.2. The Condominium Association may not impose a Regular Common Assessment per Unit which is more than twenty-five percent (25%) greater than the previous year's Regular Common Assessment, without first obtaining the vote of Owners, constituting a quorum, casting a majority of the Total Votes of the Condominium Association at a meeting of the Condominium Association. Such percentage increase shall be calculated without regard to any increase attributable to an increase in real estate taxes against the Units. The Condominium Association shall provide notice, by first class mail to all Owners, of any increase in the Regular Common Assessments not less than thirty (30) nor more than sixty (60) days prior to the date the increased Regular Common Assessment is due.

19.1.3. In addition to the Regular Common Assessments, the Condominium Association may levy in any calendar year, Special Common Assessments applicable to that year only. However, in any fiscal year, except as otherwise provided in this Declaration, the Management Committee shall not, without the vote or written assent of Owners, casting a majority of the Total Votes of the Condominium Association at a meeting or by written ballot, levy Special Common Assessments which in the aggregate exceed 10% of the budgeted gross expenses of the Condominium Association for that fiscal year. The portion of any Special Common Assessment levied against a particular Unit shall be equal to the percentage of undivided interest in the Common Areas and Facilities appurtenant to such Unit. These provisions with respect to the imposition or allocation of Special Common Assessments shall not apply when the special assessment is to pay an increase in real property taxes or when the special assessment against an Owner is a remedy utilized by the Management Committee to reimburse the Condominium Association for costs incurred in bringing the Owner and/or his Unit into compliance with the provisions of this Declaration, the Bylaws, rules and regulations of the Condominium Association, or any other governing instrument for the Condominium Project. The Management Committee shall provide notice by first class mail to all Owners of any Special Common Assessments not less than thirty (30) nor more than sixty (60) days prior to the date such Assessment is due. Special Common Assessments shall be paid as determined by the Management Committee and the Management Committee may permit Special Common Assessments to be paid in installments extending beyond the fiscal year in which the Special Common Assessment is imposed.

19.1.4. All Common Assessments shall be due as determined pursuant to the Bylaws. Common Assessments and any installments thereof not paid on or before ten (10) days after the date when due shall bear interest at the rate of eighteen percent (18%) per annum, or at such lower rate of interest as may be set by the Management Committee, from the date when due until paid. Furthermore, Owners who do not pay their Common Assessments when due shall be subject to a late fee of up to One Hundred Fifty Dollars (\$150.00), adjustable from year to year at the discretion of the Management Committee. All payments of Common Assessments shall be first applied to accrued interest and late fees, and then to the Common Assessment payment first due. The Condominium Association shall provide written notice to the Mortgagee and any guarantor on such Unit upon any sixty (60) day delinquency in the payment of assessments or charges owed by an Owner. All Common Assessments to pay a judgment against the Condominium

Association may be made only against the Units in the Condominium Project at the time the judgment was entered, in proportion to their liabilities for Common Expenses. If any Common Expense is caused by the misconduct of any Owner, the Condominium Association may assess that expense exclusively against such Owner's Unit(s). If the Owners' percentage interests in the Common Areas and Facilities are reallocated, assessments for Common Expenses and any installment thereof not yet due must be recalculated in accordance with the reallocated percentage interests of the Owners.

19.1.5. There shall be a lien upon the applicable Unit for all unpaid Common Assessments, together with late fees, interest and costs (including attorneys' fees) charged pursuant to the Declaration and the Act. The lien for unpaid Common Assessments and related charges shall be effective upon recordation in the Office of the Salt Lake County Recorder of a written notice of lien by the Management Committee or the Manager. The written notice of lien shall set forth the amount of the Common Assessment, the date(s) due, the amount remaining unpaid, the name of the Owner of the Unit and a description of the Unit. No notice of lien shall be recorded until there is a delinquency in payment of the Common Assessment for more than ninety (90) days. Such lien may be enforced by sale or foreclosure conducted in accordance with the provisions of 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 including specifically, but without limitation, the method recognized under the laws of the state of Utah for the enforcement of a mechanics lien which has been established in accordance with the provisions of Chapter 1, Title 38, Utah Code Ann., as amended from time to time. In any such foreclosure, the Owner shall be required to pay the costs and expenses of such proceeding (including reasonable attorneys' fees), and such costs and expenses shall be secured by the lien being foreclosed. The Owner shall also be required to pay to the Condominium Association any Common Assessments against the Unit which shall become due during the period of foreclosure, and all such Common Assessments shall be secured by the lien being foreclosed. The Management Committee shall have the right and power in behalf of the Condominium Association to bid in at any foreclosure sale and to hold, lease, mortgage or convey the subject Unit in the name of the Condominium Association. In furtherance of such foreclosure rights, the Condominium Association may bring an action at law against the Owner personally obligated to pay the same or the Condominium Association may foreclose the lien in accordance with the provisions of the Utah Condominium Ownership Act (Title 57, Chapter 8, Utah Code Ann.). The Condominium Association and each Owner hereby appoint First American Title Insurance, Inc., 330 East 400 South, Salt Lake City, Utah 84111, its successors and/or assigns, as trustee for the purpose of exercising the power of sale in connection with non-judicial foreclosures as provided in Title 57, Chapter 1 Utah Code Ann. and made applicable hereto by Title 57, Chapter 8 Utah Code Ann. Provided, however, the Condominium Association reserves the right to substitute and appoint a successor trustee as provided for in Title 57, Chapter 1 Utah Code Ann. Each Owner hereby conveys all of its right, title and interest in its Unit to such trustee, in trust, with a power of sale, to secure each Owner's obligations under the Declaration, including but not limited to the obligation to pay all Common Assessments. The Condominium Association may, through its duly authorized agents, bid on the Unit at any foreclosure sale and acquire, hold, lease, mortgage and convey the same. The lien of the Condominium Association shall be superior (prior)

to all other liens and encumbrances except liens and encumbrances recorded before recordation of this Declaration, a First Mortgage on a Unit as provided for in Section 17.2 hereof and assessments, liens and charges in favor of the state or any political subdivision thereof, for taxes and other governmental assessments or charges past due and unpaid on the Unit. The lien procedures described herein do not prohibit actions to recover sums for which the Act creates a lien or prohibit the Condominium Association from taking a deed in lieu of foreclosure. The Management Committee, upon written request, shall furnish to an Owner a statement setting forth the amount of unpaid assessments against the Unit. This statement must be furnished within ten (10) business days after receipt of the request and is binding on the Condominium Association, the Management Committee, the Common Area Manager and every Owner, in favor of all who rely on such statement in good faith.

19.1.6. The amount of any Common Assessment against any Unit shall be the personal obligation of the Owner of such Unit to the Condominium Association. Suit to recover a money judgment for such personal obligation shall be maintainable by the Condominium Association without foreclosing or waiving the lien securing the same. No Owner may avoid or diminish any such personal obligation by waiver of the use and enjoyment of any of the Common Areas and Facilities or by abandonment of his Unit or by waiving any services or amenities provided for in this Declaration. In the event of any suit to recover a money judgment of unpaid assessments hereunder, the involved Owner shall pay the costs and expenses incurred by the Condominium Association in connection therewith, including reasonable attorneys' fees.

19.1.7. The personal obligation of an Owner to pay unpaid assessments against his Unit as described in Section 19.1.6 shall not pass to successors in title unless assumed by them. Provided, however, a lien to secure unpaid assessments shall not be affected by the sale or transfer of the Unit unless foreclosure by a First Mortgagee is involved in which case the foreclosure will extinguish the lien for any assessments that were payable before the foreclosure sale, but shall not relieve any subsequent Owner from paying further assessments.

The Management Committee shall not expend funds designated as reserves for any purpose other than the repair, restoration, replacement or maintenance of major components of the Common Areas and Facilities for which the Condominium Association is responsible and for which the reserve fund was established or for litigation involving such matters; provided, however, that the Management Committee may expend up to \$10,000.00 per year of reserve funds for other Condominium Association purposes so long as an adequate level of reserve funds is maintained. The Management Committee may also authorize the temporary transfer of money from the reserve account to the Condominium Association's operating account from time to time to meet short-term cash flow requirements and pay other expenses. Any such funds so transferred shall constitute a debt of the Condominium Association, and shall be restored and returned to the reserve account within three (3) years of the date of the initial transfer; provided, however, the Management Committee may, upon making a documented finding that a delay in the restoration of such funds to the reserve account would be in the best interests of the Condominium Project and Condominium Association, delay such restoration until the time it reasonably determines to be necessary. The Management Committee shall exercise prudent fiscal management in the timing

of restoring any transferred funds to the reserve account and shall, if necessary, levy a Special Common Assessment to recover the full amount of the expended funds within the time limit specified above. Any such Special Common Assessment shall not be subject to the limitations set forth in Section 19.1.3 hereof.

19.2. Assignment of Rents. If an Owner shall at any time lease his Unit and shall default 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 of the Owner the rent due or becoming due for the Unit, and the payment of such rent to the Condominium Association shall be applied against the amount of delinquent Assessments. Each Owner, by taking title to a Unit, hereby assigns to the Condominium Association the irrevocable right to receive rents for this purpose.

19.3. Statutory Reserve Requirements. The Management Committee and the Condominium Association shall comply with the requirements of the Act concerning a Reserve Analysis and Reserve Funds as set forth in Utah Code Ann. § 57-8-7.5.

19.4. Reinvestment Fees. The initial Owner purchasing a Unit (following completion of construction), and each subsequent Owner (purchaser) of such Unit, shall pay to the Condominium Association, upon and as a result of a transfer of the real property, a fee that is dedicated to benefitting the Condominium Association and the entire Condominium Project (“**Reinvestment Fee**”) as allowed under Utah Code § 57-1-46 (as the same may be amended from time to time). If not paid at the closing of such Owner’s purchase of a Unit, the Reinvestment Fee shall be due and payable to the Association within the first calendar month of ownership of the Unit. The Reinvestment Fee shall be dedicated to meeting the Condominium Association’s reserve account obligations, and may be used by the Condominium Association for any purpose allowed by law for the Condominium Association’s reserve account. The initial amount of the Reinvestment Fee will be **Seven Hundred Fifty Dollars (\$750.00)** or as otherwise set by the Declarant and may be adjusted from time to time thereafter by the Board. Amounts paid as Reinvestment Fees are not to be considered advance payments of any Assessments.

20. VOTING; DECLARANT CONTROL PERIOD.

At any meeting of the Condominium Association, each Owner of a Unit either in person or by proxy, shall be entitled to vote the number of votes appurtenant to each respective Unit as set forth in Exhibit A. The number of votes appurtenant to each respective Unit shall be based on the Unit’s undivided interest in the Common Areas and Facilities, using the formula of calculation described in Section 6.3 (i.e., the undivided interest appurtenant to each Unit shall be equal to the percentage derived by dividing the Size of each Unit by the aggregate Size of all Units in the Condominium Project). Notwithstanding any provision to the contrary in this Declaration, for each Unit owned by the Declarant, the Declarant shall have ten (10) times the number of votes that would otherwise pertain to the Unit if not owned by the Declarant. This provision is intended to ensure that Declarant retains majority voting control over the affairs of the Condominium Association until such time as Declarant’s total votes in the Condominium Association (with the 10 times multiplier) are fewer than all other Owners’ votes in the Condominium Association.

There is hereby established a Declarant Control Period, during which period Declarant or persons designed by Declarant shall have full authority to appoint and remove Association officers and members of the Board of Trustees. The Declarant Control Period shall terminate no later than the earlier of the following events:

- (a) Three (3) years after the first Unit is conveyed by deed to an Owner; or
- (b) After Units comprising three-fourths (3/4) of the undivided interest in the Common Areas have been conveyed by deed to Owners; or
- (c) Declarant provides the Association with written notice of Declarant's waiver and relinquishment of the Declarant Control Period.

21. EASEMENTS.

21.1. If any part of the Common Areas and Facilities encroaches or shall hereafter encroach upon a Unit or Units, an easement for such encroachment and for the maintenance of the same shall and does exist. If any part of a Unit encroaches or shall hereafter encroach upon the Common Areas and Facilities, or upon an adjoining Unit or Units, an easement for such encroachment and for the maintenance of the same shall and does exist. Such easements shall extend for whatever period the encroachment exists. Such encroachments shall not be considered to be encumbrances either on the Common Areas and Facilities or the Units. Encroachments referred to herein include, but are not limited to, encroachments caused by error in the original construction of any improvement constructed or to be constructed within the Condominium Project, by error in the Plat, by settling, rising or shifting of the earth, or by changes in position caused by repair or reconstruction of the Condominium Project or any part thereof.

21.2. Each Owner shall have the unrestricted right to ingress and egress over, upon and across the Common Areas and Facilities as necessary for access to the Unit he is occupying and to any Limited Common Areas and Facilities appurtenant to his Unit, and shall have the right to the horizontal, vertical and lateral support of his Unit and such rights shall be perpetual and shall be appurtenant to and pass with title to each Condominium. Each Owner shall also have an easement over, upon, and through the Common Areas and Facilities to the extent reasonably necessary to install and maintain service lines/connections, utility lines, cable T.V., or other amenities reasonably necessary for the Owner's use and enjoyment of his or her Unit so long as such facilities/lines do not cause any damage to any other Unit, and so long as the Owner pays for all costs to install such facilities/lines.

21.3. The Condominium Association shall have an easement to make such use of the Common Areas and Facilities as may be necessary or convenient to perform the duties and functions that each is obligated or permitted to perform pursuant to this Declaration, including, without limitation, the right to construct and maintain in the Common Areas and Facilities for use by the Owners and the Condominium Association.

21.4. Some of the Common Areas and Facilities are or may be located within the Units or may be conveniently accessible only through the Units. The Condominium Association shall have the irrevocable right to have access to each Unit and to all Common Areas and Facilities from

time to time during such reasonable hours as may be necessary for the maintenance, cleaning, repair (emergency or otherwise) or replacement of any Common Areas and Facilities or for making emergency repairs at any time therein necessary to prevent damage to the Common Areas and Facilities or to any Unit. In addition, agents of the Condominium Association may enter any Unit when necessary in connection with any cleaning, maintenance, repair, replacement, landscaping, construction or reconstruction for which the Condominium Association is responsible. Such entry shall be made with as little inconvenience to the Owners as practicable, and any damage caused thereby shall be repaired by the Condominium Association with funds from the Common Expense Account. Similarly, Owners shall have a right of reasonable access through the Common Areas and Facilities and other Units (upon reasonable advance notice to the owner(s) of such Units) if reasonably necessary to access, repair, replace or maintain any Unit or item appurtenant to such Unit.

21.5. All conveyances of Units within the Condominium Project shall be construed to grant and reserve such easements as are provided herein, even though no specific reference to such easements appears in any such conveyance.

22. NOTICES.

Any notice permitted or required to be delivered as provided herein may be delivered either personally, by first class mail, by express mail or overnight courier service providing proof of delivery, or by telecopy or facsimile transmission. Notice to Owners shall be addressed to each Owner at the address given by such Owners to the Management Committee for the purpose of service of such notice or to the Unit of such Owner if no such address has been given to the Management Committee. In any instance herein where Mortgagees are entitled to vote or be provided notice, notice to Mortgagees shall be addressed to each Mortgagee at the address provided by such Mortgagee to the Management Committee for the purpose of service of such notices required by this Declaration and the Bylaws. Notice shall be deemed given when actually received if personally delivered or sent by overnight courier; if faxed, when the fax is received, except that if the fax is received at a time other than the normal business hours of the office/location at which it is received, on the next regular business day; and if by mail, the earlier of the day actually received or the third business day after the notice is deposited in the United States Mail, properly addressed and postage prepaid.

23. NO WAIVER.

The failure of the Management Committee or its agents or designees to insist, in one or more instances, upon the strict performance of any of the terms, covenants, conditions or restrictions of this Declaration, the Bylaws, to exercise any right or option herein contained or to serve any notice or to institute any action shall not be construed as a waiver or a relinquishment for the future of such term, covenant, condition or restriction; but such term, covenant, condition or restriction shall remain in full force and effect. The receipt and acceptance by the Management Committee or its agents or designees of the payment of any assessment from an Owner with knowledge of the breach of any covenant hereof shall not be deemed a waiver of such breach, and no waiver by the Management Committee of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Management Committee.

24. ENFORCEMENT.

24.1. All Owners, guests or lessees of an Owner, and persons under Owner's control, shall strictly comply with the provisions of the Declaration, the Bylaws, and the rules and regulations and decisions issued pursuant thereto. The Condominium Association and any aggrieved Owner shall have a right of action against Owners who fail to comply with provisions of the Declaration or the decisions of the Condominium Association. Owners shall have a similar right or action against the Condominium Association. Failure to so comply shall be grounds for: (i) an action to recover sums due for damages or injunctive relief or both, maintainable by the Management Committee, or its agent or designee on behalf of the Owners, or in an appropriate case, by an aggrieved Owner; and/or (ii) the Management Committee to impose monetary penalties, temporary suspensions of an Owner's right to the use of a Unit or the Common Areas and Facilities, or other appropriate discipline so long as any such Owner has been given notice and has had an opportunity to present a written or oral defense to the charges in a hearing. The Management Committee shall determine whether the Owner's defense shall be oral or written. After the hearing, but before any disciplinary action is taken, the Owner shall be notified of the decision of the Management Committee. The Management Committee may delegate to the Manager, the power and authority to carry out disciplinary actions duly imposed.

24.2. The Condominium Association shall not be empowered to cause the absolute forfeiture of an Owner's right, title or interest in the Condominium Project on account of the Owner's failure to comply with the provisions of the Declaration or the rules and regulations for the Condominium Project except pursuant to:

24.2.1. The judgment of a court; or

24.2.2. A foreclosure for the failure of an Owner to pay assessments duly levied by the Condominium Association.

24.3. The Condominium Association shall only be empowered to cause or require alteration or demolition of any construction to enforce any restrictions contained in this Declaration pursuant to judicial proceedings.

25. DISPUTE RESOLUTION; MANDATORY BINDING ARBITRATION.

25.1. Statement of Intent. Prior to purchasing a Unit, every Owner is capable of obtaining an inspection and is permitted to perform, or pay someone else to perform, an inspection on any Unit that Owner is purchasing or any other aspect of the Condominium Project, including, without limitation, the Common Areas and Facilities. Moreover, if any written warranty has been provided, it identifies the only items that are warranted by the Declarant. Having had the ability to inspect prior to purchasing a Unit, having received a written warranty if any warranty is provided, and having paid market price for a Unit, in the condition it and the Common Area are in at the time of purchase, it is acknowledged that it is unfair and improper to later seek to have the Declarant and/or any subcontractor performing work in the Condominium Project change, upgrade, or add additional work to the Condominium Project outside of any express warranty obligation. Moreover, the Owners (by purchasing a Unit) and the Declarant acknowledge and agree that litigation is an undesirable method of resolving disputes and conflicts in that it can be slow,

expensive, uncertain, and can often negatively impact the sale value and ability to obtain financing for the purchase of Units for years, unfairly prejudicing those Owners who must or want to sell their Unit during any period when litigation is pending. For this reason, the Owners, by purchasing a Unit, and the Declarant covenant and agree that all claims and disputes relating to the Condominium Project or the Units, or relating to the Common Areas and Facilities, shall not be pursued through court action, but shall be asserted and resolved only through the specific alternative dispute resolution mechanisms described below, and only after full disclosure, satisfaction of the notice and right to cure requirements, and knowing approval of the Owners, as set forth in the provisions of this Section 25 (including the subsections below). In addition, the Condominium Association and the Owners agree that they take ownership and possession of the Units and Common Areas AS IS, with no warranties of any kind except as otherwise required as a matter of law. The Declarant specifically disclaims any and all warranties of merchantability, fitness for a particular use, or of habitability, to the full extent allowed by law.

25.2. Binding Arbitration for All Disputes. To the fullest extent permitted by law, all claims and disputes of any kind that any Owner or the Condominium Association may have involving the Declarant, or any agent, contractor, employee, executing officer, manager, affiliate or owner of the Declarant, or any engineer or contractor involved in the design or construction of the Condominium Project, which arise from or are in any way related to a Building, Unit, or other Improvement on a Lot, Common Areas, or any other Improvement on or component of the Condominium Project (a “Dispute”), shall be submitted to final and binding arbitration. Binding arbitration shall be the sole remedy for resolving claims and disputes between or involving the Declarant and any Owner or between or involving the Declarant and the Condominium Association. Arbitration proceedings, however, shall not be commenced unless the Pre-Arbitration Requirements set forth in Section 25.3 below have been satisfied in full. Without in any way limiting the foregoing, Disputes subject to binding arbitration shall include the following:

25.2.1. Any allegation that a condition in any of the Buildings or Units or the Common Areas, or other Improvements in the Condominium Project, is or involves a construction defect;

25.2.2. Any disagreement as to whether an alleged construction defect has been corrected;

25.2.3. Any disagreement about whether any warranties, including implied warranties, are applicable to the subject matter of any Dispute;

25.2.4. Any disagreement as to the enforceability of any warranties alleged to be applicable to the subject matter of any Dispute;

25.2.5. Any disagreement about whether any warranty alleged to be applicable to the subject matter of any Dispute has been breached;

25.2.6. Any alleged violations of consumer protection, the Act, the implied warranties of habitability or other common law doctrines or claims, unfair trade practice, or other statutes or laws;

25.2.7. Any allegation of negligence, strict liability, fraud, and/or breach of duty of good faith, and all other claims arising in equity or from common law;

25.2.8. Any allegation that any condition existing in the Condominium Project or created by the Declarant (or any of its contractors), including construction-related noise, dust, and traffic, is a nuisance, a defect, or a breach of any implied warranties of habitability or other implied warranties;

25.2.9. Any disagreement concerning the scope of issues or claims that should be submitted to binding arbitration;

25.2.10. Any disagreement concerning the timeliness of performance of any act to be performed by Declarant or any of its contractors;

25.2.11. Any disagreement as to the payment or reimbursement of any fees associated with binding arbitration;

25.2.12. Any disagreement or dispute regarding management of the Condominium Association, or regarding reserve studies or funding of Condominium Association expenses; and

25.2.13. Any other claim or disagreement arising out of or relating to the sale, design, or construction of any of Improvement or Units, Common Areas, Limited Common Areas, off-site improvements, management of the Condominium Association, or other claims regarding the Condominium Project.

25.3. **Pre-Arbitration Requirements.** An Owner or the Condominium Association may only pursue a claim against the Declarant or any contractors hired by Declarant in arbitration after all of the following efforts of dispute resolution have been completed: (1) **Right to Cure:** the claimant (e.g. the Owner or the Condominium Association) shall provide to the Declarant a written Notice of Claim (defined below) and permit the Declarant one hundred fifty (150) days to cure or resolve the claim or defect or to try to get the builder or the appropriate contractor to cure or resolve the claim or defect, prior to initiating any formal arbitration proceedings; (2) if the dispute is not resolved within the 150-day Right to Cure period, the parties shall participate in formal mediation with a mutually-acceptable third-party mediator in an effort to resolve the Dispute prior to taking further action or commencing arbitration. If additional, different, or modified claims, damages, calculations, supporting information, or descriptions are added, provided to, or asserted against the Declarant that were not included in any previously submitted Notice of Claim, the Right to Cure period provided for in this Section shall immediately apply again and any pending action or proceedings, including any mediation or arbitration, shall be stayed during the 150-day cure period.

25.3.1. **"Notice of Claim"** shall mean and include the following information: (1) an explanation of the nature of the claim, (2) a specific breakdown and calculation of any alleged damages, (3) a specific description of the claim along with any supporting opinions, information, or factual evidence upon which the claim is based, (4) photographs of any alleged defective condition, if applicable, (5) samples of any alleged defective

conditions or materials, if reasonably available, (6) an explanation of the efforts taken to avoid, mitigate, or minimize the claim or any alleged damages arising therefrom, and (7) the names, phone numbers, and address of each person providing factual information, legal or factual analysis, or legal or factual opinions related to the claim.

25.4. **Member Approval; Legal Opinion; Arbitration.** If a claim or dispute has not been resolved after satisfying and complying with the above-described "Pre-Arbitration Requirements," then the claimant (Owner or Condominium Association) shall have the right to proceed with binding arbitration; however, the Condominium Association shall not pursue or commence binding arbitration unless (i) such action is first approved by a majority of the Total Votes of the Condominium Association after the Condominium Association has obtained a written opinion from legal counsel advising the Condominium Association of the likelihood of success on the merits of the claims, the anticipated costs and legal fees, arbitration fees, and expert witness fees of the entire arbitration proceeding (the "Arbitration Budget"), and the likelihood of recovery if the Condominium Association prevails, and (ii) the Condominium Association has collected funds from the Owners, by Special Assessment or otherwise, equal to at least 50% of the Arbitration Budget as set forth in the opinion letter described above. The written opinion from legal counsel, addressing these topics, must be provided to all Owners before the formal vote on whether to proceed with binding arbitration. The binding arbitration shall be conducted by a mutually-acceptable arbitrator (preferably a former judge), or, if an arbitrator cannot be mutually selected, then by a member of the National Panel of Construction ADR Specialists promulgated by Construction Dispute Resolution Services, LLC ("CDRS") or a similar organization. The binding arbitration shall be conducted according to the rules and procedures set forth in the Arbitration Rules and Procedures promulgated by CDRS. The award of the arbitrator shall be final and may be entered as a judgment by any court of competent jurisdiction.

25.5. **Fees and Costs of Arbitration.** Each party shall bear its own attorney fees and costs (including expert witness costs) for the arbitration. The arbitration filing fee and other arbitration fees shall be divided and paid equally as between the parties. The arbitrator shall not award attorney fees, expert witness fees or arbitration costs to the prevailing party.

25.6. **No Waiver of Arbitration Right.** If any Owner, the Condominium Association, or the Declarant files a proceeding in any court to resolve any Dispute, such action shall not constitute a waiver of the right of such party, or a bar to the right of any other party, to seek arbitration or to insist on compliance with the requirements set forth in this Section 25. If any such court action is filed, then the court in such action shall, upon motion of any party to the proceeding, stay the proceeding before it and direct that such Dispute be arbitrated in accordance with the terms set forth herein, including, without limitation, compliance with the Pre-Arbitration Requirements set forth above.

25.7. **Waiver of Subrogation.** The Condominium Association and each Owner waives any and all rights to subrogation against the Declarant and any builder, contractor, and engineer in the Condominium Project. This waiver shall be broadly construed and applied to waive, among other things, any attempt by any insurer of any Owner or of the Condominium Association from pursuing or exercising any subrogation rights, whether arising by contract, common law, or otherwise, against the Declarant, the Condominium Project engineer, and builder, contractors of the Declarant and the builder, and their officers, employees, owners, and representatives. To the

full extent permitted by law, the Condominium Association and Owners hereby release Declarant, the Condominium Project engineer, and builder, and their respective officers, employees, owners, contractors, insurers, and representatives from any and all liability to the Condominium Association and all Owners, and anyone claiming through or under them by way of subrogation or otherwise, for any loss, injury, or damage to property, caused by fire or any other casualty or event, even if such fire or other casualty shall have been caused by the fault or negligence of Declarant or builder, their officers, employees, owners, and representatives. The Condominium Association and each Owner agrees that all policies of insurance shall contain a clause or endorsement to the effect that this release and waiver of subrogation shall not adversely affect or impair such policies or prejudice the right of the Condominium Association or any Owner to recover thereunder. The Condominium Association and all Owners shall indemnify and defend the Declarant, the builder, and any of their officers, employees, owners, contractors, or representatives from any claims barred or released by this provision, including but not limited to any claim brought under any right of subrogation.

26. RIGHTS AND PROTECTIONS OF DECLARANT.

26.1. Reservation of Rights. So long as Declarant owns two (2) or more condominium Units in the Condominium Project, the Declarant shall have the right to use any Building, Unit, or part of the Common Areas in furtherance of any activities designed to accomplish or facilitate construction, improvement and sale of all Units owned by the Declarant or to be added to the Condominium Project, and the construction and improvement of all Common Areas and/or Limited Common Areas as the Declarant may desire. The Declarant shall have the right to maintain one (1) or more sales offices and model Units. Such offices and model Units may be located in any Unit with the permission of the Owner of that Unit, who may be the Declarant, or in one (1) or more separate structures, trailers, or facilities placed in the Condominium Project for the purpose of aiding the Declarant's sales efforts, or any combination of the foregoing. The Declarant shall also have the right to maintain any number and size of promotional, advertising, or directional signs, banners, or similar structures or devices at any place or places in the Condominium Project. The Declarant shall also have the right to designate by signs or otherwise any street or other parking as parking for sales only or to otherwise restrict and use any Common Area parking. The Declarant shall have the right from time to time to relocate, move, remove, or add to any of its sales offices, parking restrictions, model Units, signs, banners or similar structures or devices.

26.2. Protections of Declarant and Developer. By taking title to a Unit, each Owner covenants and agrees that the Declarant and all parties involved in the design, development, and construction of this Condominium Project (collectively, the "Developers") shall have no remaining duties, liabilities, obligations, or responsibilities of any kind to the Condominium Association or the Owners after all Units have been sold to the initial purchasers/Owners except solely for (i) warranty obligations pursuant to express written warranties, if any have been provided, and (ii) obligations to fix or repair construction defects if the claims for such construction defects are meritorious and recognized under Utah law, and the mandatory dispute resolution provisions of Article 25 above have been satisfied.

27. AGENT FOR SERVICE OF PROCESS.

The name and address of the person to receive service of process in all cases provided by the Act shall be the registered agent and address of the Condominium Association as shown on the official corporate records maintained in the office of the Division of Corporations and Commercial Code of the State of Utah. In the absence of such information, the person to receive service of process on behalf of the Project is Paxton R. Guymon, Esq., York Howell & Guymon, 10610 South Jordan Gateway #200, South Jordan, Utah 84095.

28. SEVERABILITY.

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

29. CAPTIONS.

The captions in this Declaration are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

30. LAW CONTROLLING.

This Declaration and the Plat shall be construed and controlled by and under the laws of the State of Utah.

31. EFFECTIVE DATE.


This Declaration shall take effect when recorded in the office of the Salt Lake County Recorder.

(Signature Page Follows)


IN WITNESS WHEREOF, the Declarants have executed this instrument on the dates set forth below in June 2021.

DECLARANTS:

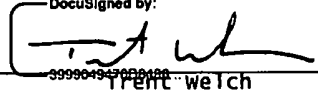
Covent Garden Holdings, LLC, a Utah limited liability company
(as to an undivided 85.7436% interest)

By:  7/26/2021
Printed Name: Shivam Shah
Title: Manager

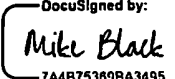
RG Development, LC, a Utah limited liability company
(as to an undivided 4.878% interest)

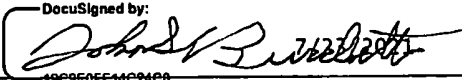

By:  7/25/2021
Printed Name: Jonathan Reid
Title: Member

Welch Properties, LLC, a Utah limited liability company
(as to an undivided 1.273% interest)

By:  7/24/2021
Printed Name: Trent Welch
Title: President/owner

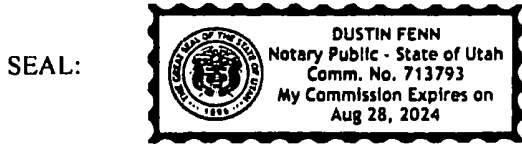
M&EM Black Holding, LLC, a Utah limited liability company
(as to an undivided 1.8% interest)

By:  7/25/2021
Printed Name: Mike Black
Title: Manager

By:  7/23/2021
 7/23/2021
John S. Burchett and Amy Burchett, husband and wife (as to an undivided 6.3054% interest)

STATE OF UTAH)
 : SS.
COUNTY OF UTAH)

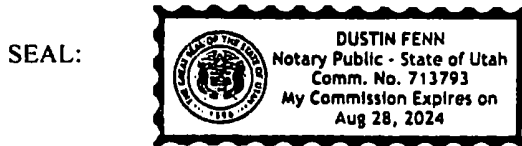
The foregoing instrument was acknowledged before me this 26 day of June, 2021, by Shivam Shah, in his/her capacity as Manager of Covent Garden Holdings, LLC.



Dustin Fenn
NOTARY PUBLIC

STATE OF UTAH)
 : SS.
COUNTY OF UTAH)

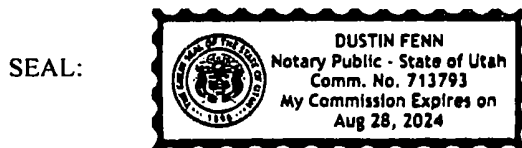
The foregoing instrument was acknowledged before me this 25 day of June, 2021, by Jonathan Reid, in his/her capacity as Member of RG Development, LC.



Dustin Fenn
NOTARY PUBLIC

STATE OF UTAH)
 : SS.
COUNTY OF UTAH)

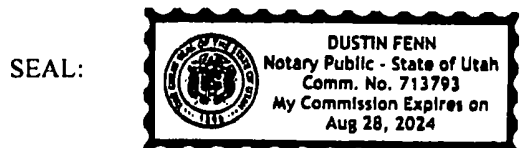
The foregoing instrument was acknowledged before me this 24 day of June, 2021, by Trent Welch, in his/her capacity as President/Owner of Welch Properties, LLC.



Dustin Fenn
NOTARY PUBLIC

STATE OF UTAH)
 : SS.
COUNTY OF UTAH)

The foregoing instrument was acknowledged before me this 25 day of June, 2021, by Mike Black, in his/her capacity as Manager of M&EM Black Holding, LLC.

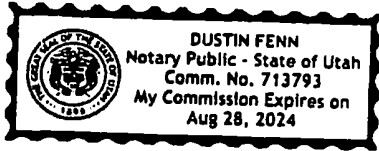


Dustin Fenn
NOTARY PUBLIC

STATE OF UTAH)
 : ss.
COUNTY OF UTAH)

The foregoing instrument was acknowledged before me this 23 day of June, 2021, by **John S. Burchett and Amy Burchett**, husband and wife.

SEAL:





NOTARY PUBLIC

EXHIBIT A

Schedule of Units, Votes and Undivided Interests in Common Areas

Covent Garden Condominiums		
BUILDING & UNIT	AREA (SF)	VOTES AND PERCENTAGE INTEREST PER UNIT
Building A - 14651 S	643.58	0.74 votes -- 0.74%
Building A - 14649 S	712.53	0.81 votes -- 0.81%
Building A - 14647 S	696	0.80 votes -- 0.80%
Building B - 14655 S	3248.11	3.71 votes -- 3.71%
Building B - 14659 S	3248.11	3.71 votes -- 3.71%
Building B - 14661 S	3248.11	3.71 votes -- 3.71%
Building B - 14663 S	3248.11	3.71 votes -- 3.71%
Building B - 14665 S	3248.11	3.71 votes -- 3.71%
Building B - 14669 S	3246.72	3.71 votes -- 3.71%
Building B - 14671 S	3397.84	3.88 votes -- 3.88%
Building B - 14675 S	3398.11	3.88 votes -- 3.88%
Building B - 14677 S	3398.11	3.88 votes -- 3.88%
Building B - 14681 S	3398.11	3.88 votes -- 3.88%
Building B - 14683 S	3398.11	3.88 votes -- 3.88%
Building B - 14687 S	3609.9	4.12 votes -- 4.12%
Building C - 14701 S	3708.55	4.24 votes -- 4.24%
Building C - 14703 S	3398.58	3.88 votes -- 3.88%
Building C - 14705 S	3398.11	3.88 votes -- 3.88%
Building C - 14707 S	3398.11	3.88 votes -- 3.88%
Building C - 14709 S	3398.11	3.88 votes -- 3.88%
Building C - 14711 S	3396.44	3.88 votes -- 3.88%
Building C - 14713 S	3248.11	3.71 votes -- 3.71%
Building C - 14715 S	3248.11	3.71 votes -- 3.71%
Building C - 14719 S	3248.11	3.71 votes -- 3.71%

Building C - 14721 S	3248.11	3.71 votes -- 3.71%
Building C - 14723 S	3248.11	3.71 votes -- 3.71%
Building C - 14725 S	3558.13	4.07 votes -- 4.07%
Building D - 14735 S	1322.43	1.51 votes -- 1.51%
Building D - 14733 S	1294.38	1.48 votes -- 1.48%
Building D - 14731 S	1185.55	1.35 votes -- 1.35%
Building D - 14729 S	1085.51	1.24 votes -- 1.24%
TOTAL AREA	87,524.01 sf	100 Votes – 100.00%

¹ May total slightly more or less than 100% due to rounding.

² The Votes per Unit shown above are subject to the provisions of Section 20 of the Declaration which provides that for each Unit owned by Declarant, Declarant shall have ten (10) times the number of votes otherwise pertaining to each such Unit.

EXHIBIT B
BYLAWS OF THE
COVENT GARDEN CONDOMINIUMS OWNERS ASSOCIATION, INC.

ARTICLE ONE: NAME AND LOCATION

The name of the corporation is *Covent Garden Condominiums Owners Association, Inc.* (the "Condominium Association" or the "Association"). The principal mailing address of the Association is P.O. Box 161, Draper, Utah 84020. The meetings of Owners and Trustees may be held at such places as may be designated by the Board of Trustees. For purposes of these Bylaws and the other governing documents of the subject condominium project, the "*Board of Trustees*" shall have the same meaning as the "*Management Committee*." The Association is subject to both the Utah Condominium Ownership Act in Title 57, Chapter 8, Utah Code Annotated, as amended, and the Utah Revised Nonprofit Corporation Act in Title 16, Chapter 6a, Utah Code Annotated, as amended.

ARTICLE TWO: APPLICATION OF BYLAWS

All present and future owners, mortgagees, lessees and occupants of any Unit or Condominium and any other persons who may use the facilities of the Covent Garden Condominiums, located in Bluffdale City, Salt Lake County, Utah (the "Project") in any manner are subject to these Bylaws, the *Declaration of Condominium for Covent Garden Condominiums* filed of record with the Salt Lake County Recorder's Office, (the "Declaration") and all rules made pursuant hereto and any amendments hereof. The acceptance of a deed or conveyance or entering into of a lease or the act of occupancy of a Unit or Condominium shall constitute an agreement that the provisions of the Declaration and these Bylaws and any rules and regulations made pursuant hereto, as they may be amended from time to time, are accepted, ratified and will be complied with. Certain capitalized terms in these Bylaws shall be defined in accordance with the definition for such terms set forth in the Declaration.

ARTICLE THREE: MEETINGS OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Owners shall be held within one (1) year from the date of incorporation of the Association, and each subsequent annual meeting shall be held in July of each calendar year at a date and time fixed by the Board of Trustees, or such other month or date as the Board of Trustees may designate.

Section 2. Special Meetings. Special meetings of the Owners may be called at any time by the president or by the Board of Trustees, or upon written request of the Owners who are entitled to vote at least twenty-five percent (25%) of all the votes of the membership.

Section 3. Notice of Meetings. Written notice of each meeting of the Owners shall be given by, or at the direction of, the secretary of the Association or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to each Owner entitled to vote thereat, addressed to the Owner's address last appearing on the books of the Association, or supplied by such Owner to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of special meeting, the purpose of the

meeting. Notice of a meeting can also be given by email to each of the Owners. Owners may also call meetings on shorter notice provided all Owners agree to such shorter notice.

Section 4. Quorum. The presence at the meeting of Owners entitled to cast, or of proxies entitled to cast, fifty percent (50%) or more of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the articles, the Declaration, or these Bylaws. If, however, such a quorum shall not be present or represented at any meeting, the Owners entitled to vote shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as stated is present or be represented by proxy.

Section 5. Voting. At all meetings of Owners, each Owner may vote in person, by written ballot, or by proxy. Except as otherwise provided in Section 7 of this Article Three, in the event that ownership of a Unit is jointly held by two or more persons (each a "Joint Owner") the Association may accept the vote of any one Joint Owner as the vote for such Unit, unless it receives written notice to the contrary from any of the other Joint Owners of such Unit. The Association may accept votes, consents, written ballots, waivers, proxy appointments, and proxy revocations of the Owners in accordance with the provisions of UTAH CODE ANN. § 16-6a-713.

Section 6. Action Taken Without a Meeting. Any action that may be taken at any regular or special meeting of the Association may be taken without a meeting if:

6.1 A written ballot is distributed to every Owner entitled to vote setting forth the proposed action, providing an opportunity to signify approval or disapproval of the proposal and providing a reasonable time for the Owner to return the ballot to the Association.

6.2 The number of votes cast by ballot within the specified time under Subsection 6.1 equals or exceeds the quorum required to be present at a meeting authorizing the action.

6.3 The number of approvals of the action equals or exceeds the number of votes required to approve the action at a meeting at which the total number of votes cast was the same as the number of votes cast by written ballot.

6.4 The written ballot distributed to Owners affords an opportunity for the Owner to specify a choice between approval and disapproval of each order of business proposed to be acted upon by the Association and further provides that the vote of the Owners shall be cast in accordance with the choice specified.

In addition to foregoing, any action that may be taken at any annual or special meeting of Owners may be taken without a meeting and without prior notice if the requirements of UTAH CODE ANN. § 16-6a-707 have been satisfied.

Section 7. Proxies. At each Owners meeting, each Owner entitled to vote shall be entitled to vote in person or by proxy; provided, however, that the right to vote by proxy shall exist only where the instrument authorizing such proxy to act shall have been executed by the Owner himself or by his attorney thereunto duly authorized in writing or which satisfies the requirements of UTAH CODE ANN. § 16-6a-712. The instrument authorizing the proxy to act shall indicate the name of the secretary of the Association, or such other officer or person or who may be acting as the secretary at the meeting to whom the proxy is to be given for the purpose of casting the vote to reflect the absent Owner's vote

as specified in the form of proxy. If a Unit is jointly held, the instrument authorizing a proxy to act must have been executed by all Joint Owners of such Unit or their attorneys thereunto duly authorized in writing. Such instrument authorizing a proxy to act shall be delivered at the beginning of the meeting to the secretary of the meeting. The secretary of the meeting shall enter a record of all such proxies in the minutes of the meeting.

ARTICLE FOUR:
BOARD OF TRUSTEES. ELECTION. TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of Trustees of at least three (3) but no more than five (5), who need not be Owners of the Association (each a "Trustee"). The Board of Trustees shall be the "*Management Committee*" of the Association for purposes of the Utah Condominium Ownership Act and the subject condominium project.

Section 2. Initial Selection and Term of Office. Declarant shall have the exclusive right to appoint and to remove all Trustees so long as Declarant holds a majority of the number of votes as section forth in Section 20 of the Declaration (the "Declarant Control Period"). At the end of the Declarant Control Period, the Owners shall elect the Trustees at a meeting of Owners each calendar year. Trustees shall serve one year terms, which may be renewed by the Owners by vote each year.

Section 3. Election. Except as set forth in Section 2 above, election to the Board of Trustees shall be by vote of the Owners. At such election, the Owners or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provision of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Section 4. Removal. After the end of the Declarant Control Period, any Trustee may be removed from the Board, with or without cause, by a majority vote of the Owners of the Association. In the event of death, resignation or removal of a Trustee, a successor shall be selected by the remaining Owners of the Board of Trustees and shall serve for the unexpired term of said Trustee's predecessor.

Section 5. Compensation. No Trustee shall receive compensation for any service the Trustee may render to the Association. However, any Trustee may be reimbursed for actual reasonable expenses incurred in the performance of Trustee duties.

Section 6. Action Taken Without a Meeting. The Trustees shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Trustees. Any action so approved shall have the same effect as though taken at a meeting of the Trustees.

Section 7. Vacancies. If a vacancy occurs on the Board of Trustees, including a vacancy resulting from an increase in the number of Trustees, the vacancy may be filled by the Owners or by the Board of Trustees in accordance with UTAH CODE ANN. § 16-6a-810.

ARTICLE FIVE: MEETING OF TRUSTEES

Section 1. Regular Meetings. The Board of Trustees shall hold a regular meeting at least one time per calendar year.

Section 2. Special Meetings. Special meetings of the Board of Trustees shall be held when called by the president of the Association, or by any two (2) Trustees, after not less than three (3) days' notice to each Trustee.

Section 3. Quorum. A majority of the number of Trustees shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Trustees present at a duly held meeting at which a quorum is present shall be the act of the Board of Trustees.

ARTICLE SIX:
POWERS AND DUTIES OF THE BOARD OF TRUSTEES

Section 1. Powers. The board of Trustees shall have power to:

1.1 Adopt and publish rules and regulation governing the use of the Common Areas and Facilities, and the personal conduct of the Owners and their guests thereon, and to establish penalties for the infraction thereof,

1.2 Upon reasonable notice and the opportunity for a hearing to an Owner, suspend the voting rights of an Owner during any period in which such Owner shall be in default in the payment of assessment levied by the Association. Such rights may also be suspended after notice and hearing, for the period not to exceed sixty (60) days for the infraction of published rules and regulations;

1.3 Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provision of these Bylaws, the Articles, or the Declaration;

1.4 Declare the office of a member of the Board of Trustees to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Trustees; and

1.5 Employ a Manager, an independent contractor, and such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Trustees to:

2.1 Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Owners at the annual meeting of the Owners, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Owners who are entitled to vote;

2.2 Supervise all officers, agents, and employees of this Association, and to see that their duties are properly performed;

2.3 As more fully provided in the Declaration, to:

2.3.1 Fix the amount of the annual assessment against each Unit at least fifteen (15) days in advance of each annual assessment period;

2.3.2 Foreclose at its discretion the lien against any Unit for which assessments are not timely paid and/or to bring an action at law against the Owner personally obligated to pay the same.

2.4 Issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board of Trustees for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

2.5 Procure and maintain adequate liability, and hazard insurance on property by the association, and adequate officers' and trustees' indemnity insurance, and all other insurance required by the Declaration;

2.6 Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

2.7 Cause the Common Areas and Facilities to be maintained;

2.8 Permit First Mortgagees of Units in the Project to pay taxes or other charges which are in default and which may have become a charge against the Common Areas of the Association, and such First Mortgagees may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy for such property, and such First Mortgagees, upon making such payments, shall be owed immediate reimbursement therefor from the Association; and

2.9 Assess and collect all assessments authorized in the Declaration.

ARTICLE SEVEN: OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be president, a secretary, and a treasurer, and such other officers as the Board of Trustees may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the annual meeting of the Owners each year, or as deemed necessary by the Owners.

Section 3. Term. The officers of this Association shall be elected annually by the Board of Trustees and each shall hold office for one (1) year or until his or her successor is elected and has qualified, unless he or she shall sooner resign, or shall be removed, or otherwise be disqualified.

Section 4. Special Appointments. The Board of Trustees may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board of Trustees may determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board of Trustees. Any officer may resign at any time by giving written notice to the Board of Trustees, the president or the secretary. Such resignation shall take effect on the date of receipt

of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board of Trustees. The officer appointed to such vacancy shall serve for the remainder of the term of the office he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant Section 4 of this Article Eight.

Section 8. Duties. The duties of the officers are as follows:

President: The president shall preside at all meetings of the Board; shall see that orders and resolution of the Board of Trustees are carried out; and shall sign all leases mortgages, promissory notes, checks, deeds and other written instrument on behalf of the Association.

Secretary: The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Owners; serve notice of meetings of the Board and of the Owners; keep appropriate current records showing the Owners of the Association together with their addresses; and shall perform such other duties as required by the Board.

Treasurer: The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board; shall, together with the president, sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit or review of the Association book to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and statement of income and expenditures, and deliver a copy of each to the Owners. The treasurer may choose to work with a management company to carry out the financial duties of the Association.

ARTICLE EIGHT:
INDEMNIFICATION OF OFFICERS AND TRUSTEES

The Association shall provide any indemnification required or permitted by the laws of Utah, including without limitation indemnification required to be provided pursuant to UTAH CODE ANN. §§ 16-6a-901 to 910, and the Association shall indemnify Trustees, officers, agents and employees as follows:

Section 1. Third Party Litigation. The Association shall indemnify any Trustee or officer of the Association who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit or proceedings, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Association) by reason of the fact that he is or was such Trustee or officer or an employee or agent of the Association, or is or was serving at the request of the Association as a trustee, office, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Association, and, with respect to any criminal action or proceeding,

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

Section 2. Association Litigation. The Association shall indemnify any Trustee or officer of the Association who was or is a party or is threatened to be made a party to any threatened, pending, or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that he is or was such a Trustee or officer of an employee or agent of the Association, or is or was serving at the request of the Association as trustee, officer, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the Association, except that no indemnification shall be made in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Association unless and only to the extent that the court in which such action or suit was brought, or any other court having jurisdiction in the premises, shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnify for such expenses which such court deems proper.

Section 3. Expenses. To the extent that a Trustee or officer of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 1 or 2 of this Article Nine, or in defense of any claim, issue, or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith, without the necessity for the determination as to the standard of conduct as provided in Section 4 of this Article Nine.

Section 4. Determination of Right to Indemnity. Any indemnification under Section 1 or 2 of this Article Nine (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the Trustee or officer is proper in the circumstances because he has met the applicable standard of conduct set forth in Section 1 or 2 of this Article Nine. Such determination shall be made (i) by the Board of Trustees of the Association by a majority vote of a quorum consisting of Trustees who were not parties to such action, suit or proceeding, or (ii) if such quorum is not obtainable, or even if obtainable, and such a quorum of disinterested Trustees so directs, by independent legal counsel (who may be regular counsel for the Association) in written opinion; and such determination shall be conclusive.

Section 5. Advance of Expenses. Expenses incurred in defending a civil or criminal action, suit, or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding, as authorized in the particular case, upon receipt of an undertaking by or on behalf of the Trustee or officer to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this Article Nine.

Section 6. Other Indemnification Rights. Agents and employees of the Association who are not Trustees or officers of the Association may be indemnified under the same standards and procedures set forth above, in the discretion of the Board of Trustees of the Association.

Section 7. Benefited Parties. Any indemnification pursuant to this **Article Nine** shall not be deemed exclusive of any other rights to which those indemnified may be entitled and shall continue as to a person who has ceased to be a trustee or officer and shall inure to the benefit of the heirs, executors, and administrators of such a person.

ARTICLE NINE: ACCOUNTING; RECORDS

Section 1. Accounting

1.1 The books and accounts of the Association shall be kept in accordance with reasonable accounting procedures used by similar condominium projects under direction of the treasurer.

1.2 At the close of each fiscal year, the books and records of the Association shall be reviewed by an independent management company or public accountant approved by the Association.

Section 2. Inspection of Records. The membership register, books of account and minutes of meeting of the Association, of the Board of Trustees and of committees of the Board of Trustees, and all other records of the Project maintained by the association or Manager shall be made available for inspection and copying by any Owner of the Association or his duly appointed representative at any reasonable time and for a non-commercial purpose reasonably related to his interest as an Owner, at the office where the records are maintained. Upon receipt of an authenticated written request from an Owner along with the fee prescribed by the Board of Trustees to defray the costs of reproduction, the Manager or other custodian of records of the Association shall prepare and transmit to the Owner a copy of any and all records requested. The Board of Trustees shall establish reasonable rules with respect to:

2.1 Notice to be given to the custodian of the records by the Owner during to make the inspection;

2.2 Hours and days for the week when such an inspection may be made; and

2.3 Payment of the cost of making copies of documents requested by an Owner.

Every member of the Board of Trustees, subject to the conditions set forth above, shall have the absolute right at any reasonable time to inspect and make copies of all books, records and documents of the Association and to inspect all real and personal properties owned or controlled by the Association.

ARTICLE TEN: ASSESSMENTS

All assessments shall be made in accordance with the general provisions of the Declaration. The treasurer shall keep detailed records of all receipts and expenditures, including expenditures

affecting the Project and any other expenses incurred. Such records shall be available for examination by the Owners during regular business hours. In accordance with the actions of the Board of Trustees in assessing Common expenses against the Units and Owners, the treasurer shall keep an accurate record of such assessments and of the payment thereof by each Owner.

ARTICLE ELEVEN: AMENDMENTS

Section 1. Amendment Procedure. These Bylaws may be amended, at a regular or special meeting of the Owners, by a vote of a majority of a quorum of the Owners present in person or by proxy.

Section 2. Conflict. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the provisions of the Declaration and these Bylaws, the provisions of the Declaration shall control.

THESE BYLAWS have been approved and adopted by the Declarant and by the initial members of the Board of Trustees/Management Committee as of the date of recording of the Declaration with the Salt Lake County Recorder's Office, State of Utah.

END OF BYLAWS

EXHIBIT C

Legal Description of Condominium Project

This Declaration shall be recorded against the real property described below, located in Bluffdale City, Salt Lake County, State of Utah (identified as Tax Parcel No. 33-11-400-021):

PARCEL 1:

A parcel of land located in the Southeast corner of Section 11, Township 4 South, Range 1 West, Salt Lake Base and Meridian, more particularly described as follows:

Beginning at a point which is South 89°36'28" West a distance of 1,327.08 feet along the section line to the Northwest corner of the Northeast quarter of the Southeast quarter of said Section 11; thence leaving said section line to and along the West line of said Northeast quarter South 00°36'49" West a distance of 277.89 feet; thence leaving said West line North 89°51'53" West a distance of 14.72 feet from the East quarter corner of said Section 11, and running thence South 01°50'33" East a distance of 343.46 feet to the said West line; thence along said West line South 00°36'49" West a distance of 691.66 feet to the South line of the Northwest quarter of the Southeast quarter of said Section 11; thence South 89°46'00" West along said South line a distance of 189.41 feet; thence leaving said South line North 00°05'10" East a distance of 1,034.41 feet; thence North 89°36'28" East a distance of 184.22 feet to the point of beginning.

TOGETHER WITH AND SUBJECT TO the following described right-of-way over, upon and across the following described tract of land, which right-of-way shall inure to the benefit of the land bordering on the West; to-wit:

Commencing at a point which is South 89°36'28" West 1,451.75 feet from the East quarter corner of Section 11; Township 4 South, Range 1 West, Salt Lake Base and Meridian, and running thence South 89°36'28" West a distance of 50.00 feet; thence South 00°05'10" West a distance of 277.89 feet, more or less, to the North boundary of the above-described tract; thence South 89°36'28" West a distance of 77.25 feet; thence South 00°05'10" West a distance of 575.27 feet; thence South 89°36'28" West a distance of 1,063.12 feet; thence South 00°59'54" West a distance of 50.01 feet; thence North 89°36'28" East a distance of 1,113.93 feet; thence North 00°05'10" East a distance of 575.27 feet; thence North 89°36'28" East a distance of 77.25 feet; thence North 00°05'10" East a distance of 327.89 feet to the point of beginning.

PARCEL 1A:

The following described right-of-way over, upon and across the following described tract of land:

Commencing at a point which is South 89°36'28" West 1,451.75 feet from the East quarter corner of said Section 11 and running thence South 89°36'28" West 50.00 feet; thence South 00°05'10" West 277.89 feet, more or less, to the North boundary of the above-described tract; thence South 89°36'28" West 77.25 feet along said North boundary to the Northwest corner of said tract; thence South 00°05'10" West 50.00 feet along the West boundary of said tract; thence North 89°36'28" East 77.25 feet; thence North 00°05'10" East 327.89 feet, more or less, to the point of beginning.

Street Address: 14664 S. 855 W., Bluffdale, Utah 84065