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AMENDED AND RESTATED DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
OF THE
FARM HILL VILLAGE
PLANNED CONDOMINIUM PROJECT
(Including Bylaws)

A Utah Condominium Project

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THIS AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF THE FARM HILL VILLAGE PLANNED CONDOMINIUM PROJECT is made on the date evidenced below by the Farm Hill Village Owners Association, a domestic nonprofit corporation (the "Association").

RECITALS

A. This Amended and Restated Declaration of Condominium including Bylaws supersedes and replaces the Amended Declaration of Covenants Conditions and Restrictions of the Farm Hill Village Planned Condominium Project recorded May 15, 2007, as Entry No. 10100212, records of the Salt Lake County Recorder, in its entirety and including all subsequent amendments or supplements thereto (the "Original Declaration") and including the Bylaws attached to the Original Declaration.

B. Pursuant to Section 12.8 of the Original Declaration, Unit Owners representing at least 67% of the total allocated votes in the Association and eligible mortgage holders (as defined in the Original Declaration) who represent at least fifty-one percent (51%) of the votes of Unit estates that are subject to mortgages held by eligible holders have affirmatively approved the adoption of all material changes to the Original Declaration and, pursuant to Section 12.10 of the Original Declaration, changes to the Original Declaration and Bylaws which are not material have been approved by majority vote of the Members of the Association in accordance with the terms of the Bylaws. Material changes are defined in Section 12.8(a) of the Original Declaration.

C. This Amended and Restated Declaration of Condominium including Bylaws shall be binding upon all real property described in **Exhibit A** attached hereto and it is agreed by acceptance of a conveyance, contract for sale, lease, rental agreement, or any form of security agreement or instrument, or any privileges of use or enjoyment, respecting the property or any unit in the property regime created by this Declaration, that this Declaration, together with the Plat and plans referred to herein, states covenants, conditions, restrictions, and reservations effecting a common plan for the condominium development mutually beneficial in all of the described units, and that the covenants, conditions, restrictions, reservations and plan are binding upon the entire property and upon each such unit as a parcel of realty, and upon its owners or possessors, and their heirs, personal representatives, successors and assigns, through all successive transfers of all or part of the property or any security interests therein without requirement of further specific reference or inclusion in deeds, contracts or security instruments, and regardless of any subsequent forfeiture, foreclosures, or sales of units under security instruments.

D. The Farm Hill Village Condominiums, a Utah condominium project, is and continues to be submitted to the Utah Condominium Ownership Act, Utah Code Ann. §57-8-1 *et seq.*, as amended or substituted from time to time (the "Act"), with the rights, privileges and obligations as set forth herein and in the Act.

ARTICLE I - DEFINITIONS

When capitalized in this Declaration, words have the meanings set forth in this article.

1.1 “*Act*” means the Utah Condominium Ownership Act (Section 57-8-1 et seq., Utah Code Annotated, 1953), as the same may be amended or substituted from time to time.

1.2 “*Assessment*” means any charge imposed or levied by the Association on or against an Owner or Unit pursuant to a Governing Document or applicable law.

1.3 “*Association*” means and refers to the Farm Hill Village Owners Association, a Utah nonprofit corporation or any successor incorporated or unincorporated association of the Unit Owners acting under the authority of this Declaration and the Bylaws.

1.4 “*Board of Directors*” or “*Board*” means the body, established in accordance with the Bylaws, with primary authority to manage the affairs of the Association. The Board of Directors is the same body as the Management Committee established under the Act.

1.5 “*Bylaws*” means the Bylaws of the Association, as they may be amended from time to time and are attached hereto in their current form as **Exhibit B**.

1.6 “*Common Area(s)*” means, refers to, and includes: (a) The real property and interests in the real property which this Declaration submits to the terms of the Act, and which comprise the Project, excluding all Units as defined herein; (b) In general, all apparatus, installations and facilities included within the Project, but outside a Unit, which exist for common use; (c) The Project’s outdoor lighting (excluding lighting that is part of a Unit), fencing along the boundary of the Project (excluding fences between various Units) and roads; (d) All portions of the Project not specifically included within the individual Units; (e) All other parts of the Project normally in common use or necessary or convenient to its use, existence, maintenance, safety or management.

1.7 “*Community*” means all of the land described in the Plat.

1.8 “*Governing Documents*” means a written instrument by which the Association may exercise powers or manage, maintain, or otherwise affect the property under the jurisdiction of the Association, including Articles of Incorporation, Bylaws, Plat, this Declaration, and Rules and Regulations.

1.9 “*Improvements*” means every structure or improvement of any kind, including but not limited to landscaping, Units, decks, porches, awnings, fences, garages, driveways, or other products of construction efforts on or in respect to the Property (but does not include any exterior antenna or satellite dish authorized in accordance with the Declaration).

1.10 “*Includes*” or “*including*” means (regardless of capitalization) that the items listed are not an exclusive list, unless the word “only” or similar language is used to expressly indicate that the list is an exclusive list.

1.11 “*Limited Common Area*” means those portions of the Common Areas which are limited to and reserved for the exclusive use of a certain Unit or Units. Specifically, the Limited Common Area means (whether or not and regardless of how such Limited Common Areas are described on the Plat): (1) the driveways; (2) sidewalks and walkways, except sidewalks and walkways existing for the common use of all the Owners; (3) decks; and (4) patios.

1.12 “Manager” or “Managing Agent” means the person or entity that may be retained from time to time by the Association to manage the Property or assist in the administration of the Association.

1.13 “Mortgage” means any mortgage or deed of trust encumbering any Unit and any other security interest existing by virtue of any other form of security instrument or arrangement, provided that such mortgage, deed of trust or other form of security instrument, and an instrument evidencing any such other form of security arrangement, has been recorded among the County Recorder's Office.

1.14 “Mortgagee” means the person or entity secured by a Mortgage.

1.15 “Notice” means notice as defined, and shall be carried out as set forth, in Article 2 of the Bylaws.

1.16 “Owner” means the person, persons or other entity owning any Unit, as such ownership is reflected in the records of the County Recorder, but does not include a tenant or holder of a leasehold interest or person holding only a security interest in a Unit.

1.17 “Percentage Interest” means the percentage of undivided ownership interest of each Unit Owner in the Common Areas as set forth in Article II of this Declaration.

1.18 “Plat” or “Plat Map” or “Record of Survey Map” (these terms may be used interchangeably herein) means the record of survey map recorded at the County Recorder's Office and any plats recorded among the Recorder's Office in substitution therefor or amendment thereof.

1.19 “Property” or “Project” means the Farm Hill Village Condominiums, including all Units and Common Area, and all other real property and interests described in the Plat and herein.

1.20 “Rules” or “Rules and Regulations” means the written rules, regulations, resolutions, policies or procedures (including the Architectural Guidelines) that state what is or is not allowed or what will happen within the Community or Association and which are adopted or modified by the Board from time to time.

1.21 “Unit” means, for purposes of this Declaration, a space in a residential building together with the following intended for and related to the sole use of such Unit: (1) all parts of the physical building structure, including all exterior elements of the building, and (2) fixtures and facilities located in such building. By way of example, and not limitation, a Unit includes all of the following items that are serving, servicing, or related to the use, operation and enjoyment of a Unit: (i) all installations of all central and other utility and similar services, including power, light, gas, hot and cold water facilities, heating, ventilation, telephone, television, cable and satellite facilities and equipment, all garbage collection facilities and equipment; (ii) all tanks, pumps, motors, fans, ducts and, in general, all apparatuses and installations; (iii) all utility pipes, lines, conduits, wires, facilities, equipment or systems; (iv) all ducts, flues, chutes, wires, conduits and other accessories and utility installations; (v) the exterior walls, roofs, foundations, finishes and elements of a building in which a Unit is located including, without limitation, wood, stucco, masonry (whether natural or artificial), glass, steel, aluminum, roofing materials, downspouts, drains, concrete, foundations, and structural supports; and (vi) exterior features of a building and exterior stairways of a building. Where a wall is shared with two Units, the Unit shall extend to the center of the wall, which shall form the boundary of the Units sharing that wall.

ARTICLE II - PROPERTY DESCRIPTION

2.1 Property Subject the Declaration, Bylaws and the Act. It is hereby confirmed and acknowledged that the Project is submitted and subject to the Act and shall be transferred, held, sold, conveyed, used, occupied and improved subject to, and the rights and obligations of all parties interested in the Project shall be governed and controlled by, this Declaration, the Governing Documents, and all agreements, decisions and determinations made by the Association, and the Act and any amendments thereto as codified from time to time, and, to the extent that the Governing Documents are or become inconsistent with the provisions of any future amendments to the Act, the Act, as amended, shall control. This Declaration and covenants, conditions and restrictions herein shall run with the land and shall be binding upon each and every party which shall at any time have any right, title or interest in or to the Property or any part thereof, their heirs, successors and assigns, and to any other person who may in any manner use the Property or any part thereof submitted to the provisions of this Declaration, and shall inure to the benefit of the Association and each Owner thereof.

2.2 Description of Improvements and Units. The significant improvements within the Project consist of twenty-one (21) buildings of frame construction containing twenty-nine (29) residential Units, and other improvements as shown by the Plat. All Units are residential Units. All Units shall be capable of being independently owned, encumbered, and conveyed.

2.3 Ownership Interest in Common Areas. The fractions of undivided ownership interest of the Unit Owners in the Common Areas are equal and shall be 1/29th each. Neither the percentage interest in the Common Areas nor the right of exclusive use of the Limited Common Areas shall be separated from the Unit to which it appertains, and even though not specifically mentioned in the instrument of transfer, the percentage interest and such right of exclusive use shall automatically accompany the transfer of the Unit to which they relate.

2.4 Form of Unit Conveyance - Legal Description of Unit. Each conveyance or installment contract for the sale of a Unit and every other instrument affecting title to a Unit may describe that Unit by the number shown on the Plat with appropriate reference to said Plat and to this Declaration, as each shall appear on the records of the County Recorder. Such description will be construed to describe the Unit, together with the appurtenant undivided interest in the Common Areas, and to incorporate all the rights incident to ownership of a Unit within the Project and all of the limitations on such ownership as described in the Governing Documents

2.5 Use and Occupancy. Except as otherwise provided in Governing Documents from time to time, the Owner(s) of a Unit shall be entitled to the exclusive use and benefits of ownership of such Unit. Each Unit shall be bound by, and the Owner, occupants and guests thereof, shall at all times comply with, the provisions of the Governing Documents.

2.6 Easements for Association. The Association and any person authorized by the Association may at any reasonable time, and from time to time at reasonable intervals, enter any part of the Property for the purpose of performing maintenance authorized herein or determining whether the use of a Unit or Limited Common Area is causing damage or harm to the Common Areas. No such entry shall be deemed to constitute a trespass or otherwise create any right of action in the Owner of a Unit. The Association shall repair damage it causes to the Common Areas or to a Unit the Association uses to access the Common Areas within a time that is reasonable under the

circumstances.

2.7 Utility Easements. The Association and any public utility provider shall have an easement through all Units and the Common Areas for the installation, maintenance and development of utilities, as may be necessary. Each Unit Owner shall have an easement in common with all Owners to use all pipes, wires, ducts, cables, conduits, public utility lines and other common facilities located in any of the other Units and serving his or her Unit. The Board may grant or create from time to time, on behalf of the Association and on such terms as it deems advisable, utility and similar easements and rights-of-way over, under, across, and through the Common Area.

2.8 Common Areas; Delegation of Rights. All Owners are hereby granted a non-exclusive right and easement of enjoyment to the Common Areas which right and easement shall be subject to compliance by the Owner with the provisions of the Governing Documents and the right of the Association to limit the number of guests of residents. Except as to rights of ingress and egress to a Unit, any Owner not residing on the Property shall be deemed to have delegated his or her right of enjoyment and use of and to the Common Area facilities and amenities to any tenants, contract purchasers, or other occupants of the Unit who actually reside on the Property and no person other than residents and their guests (up to the number established by rule from time to time) may use the Common Area.

2.9 No Encroachment. No Unit shall encroach upon an adjoining Unit or Common Area. If, however, any part of a Unit encroaches or shall hereafter encroach upon the Common Area or an adjoining Unit due to or caused by error in the original construction of any building or improvements constructed within the 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 Project, or any part thereof, in accordance with the provisions of this Declaration, an easement for such encroachment and for the maintenance of the same shall and does exist. Such encroachments shall not be considered to be encumbrances either on the Common Areas or the Unit. If any part of the Common Areas encroaches or shall hereafter encroach upon any Unit, an easement for such encroachment and for the maintenance of the same shall and does exist.

ARTICLE III - RESTRICTIONS ON USE

3.1 Animals.

3.1.1 Animals may be kept or permitted within the Community only in accordance with the Rules and Regulations. Those animals which are permitted shall not cause any noise or disturbance that would be deemed a nuisance to other occupants within the Property. Any inconvenience, damage or unpleasantness caused by an animal shall be the responsibility of the owner thereof to fully remedy. Animals must be kept on a leash or in a carrier when on Common Area. Owners shall be responsible for immediate removal of wastes of their animals. The Association may adopt rules, beyond those stated herein, restricting the keeping of animals.

3.1.2 Upon violation of this Section 3.1, or in the event the Association finds an animal is harassing or is a vicious animal, the Association may require any animal to be permanently or temporarily removed from the Property by its owner. Harassing means: (1) without provocation to chase any animal or person or approach any person in an apparent attitude of attack when such person is in a place where he or she has a right to be, or (2) harassing by tearing, biting, or shaking

with the teeth. A vicious animal is any animal with a known propensity, tendency or disposition to attack unprovoked, to cause injury to, or to otherwise endanger the safety of, humans or other domestic animals; or which is known to have attacked or bitten any human or domestic animal at least once before. Additionally, the Association may prohibit any future pet ownership by an occupant of a Unit as a result of noncompliance with this Section or any Rules regarding animals. Each Owner of a Unit housing an animal shall indemnify and hold all other Owners and the Association harmless against any loss or liability of any kind or character whatsoever arising from or as a result of having such animal in the Property.

3.2 Rentals/Owner Occupancy Requirement.

3.2.1 Rental Cap. No more than three (3) of the twenty-nine (29) Units in the Project may be rented at any given time, including grandfathered Units (pursuant to Section 3.2.5), but excluding Units rented pursuant to an exemption under Section 3.2.6 or 3.2.7 (the “**Rental Cap**”).

3.2.2 Application Required. Prior to renting a Unit, the Unit Owner shall apply to the Association. The Association shall review the application and make a determination of whether the rental will exceed the Rental Cap and the Association shall deny the application if it determines that the rental of the Unit will exceed the Rental Cap.

3.2.3 Minimum Requirements. No Owner shall rent less than the entire Unit, and no Owner shall rent such Owner’s Unit for an initial term of less than twelve (12) months.

3.2.4 Definition of Rental. A “**Rental**,” “**Rented**,” or “**Renting**” means: (1) a Unit owned by an entity or trust, regardless of who occupies the Unit (unless the entity or trust was created for estate planning purposes) for the estate of a current resident of the Unit or the parent, child, or sibling of the current resident of the Unit; or (2) a Unit not owned by an entity or trust, that is occupied by someone while no Owner or Owner’s parent, child or sibling occupies the Unit as his, her or their primary residence.

3.2.5 Grandfather Status. Notwithstanding Section 3.2.1, an Owner who has a rental in the Community at the time this Declaration is recorded and who submits to the Board, within sixty (60) days of recording of this Declaration, a written statement that the Owner is currently renting the Unit together with the Owner’s name, address, Unit address, and phone number, shall be allowed to continue renting such Unit until: (1) the Owner transfers or conveys the Unit (including, if the Unit is owned by a limited liability company, corporation, partnership, or other business entity, the sale or transfer of more than seventy-five percent (75%) of the business entity’s shares, stock, membership interests, or partnership interests in a twelve (12) month period), (2) the Owner occupies the Unit; or (3) an officer, owner, member, trustee, beneficiary, director, or person holding a similar position of ownership or control of an entity or trust that holds an ownership interest in the Unit, occupies the Unit.

3.2.6 Required Exemptions. The following Owners and Units are exempt from the restrictions on the number and term of rentals contained in this Declaration: (1) Per Utah Code 57-8-10.1, an Owner in the military for the period of the Unit Owner’s deployment; (2) an Owner whose employer has temporarily relocated the Owner for no less than two (2) years.

3.2.7 Hardship Exemptions. The Board may grant exemptions (“**Hardship Exemptions**”) in writing temporarily exempting an Owner from the Rental Cap and application requirements in 3.2.1 and 3.2.2 (but not from any other provision herein), which Hardship Exemptions shall only be granted in the sole discretion of the Board to avoid undue hardships or extreme practical difficulties in situations such as the Owner’s disability, extended charitable service, or the taking of title to a Unit by heirs after of the death of an Owner. A Hardship Exemption shall expire two (2) years from issuance, at which point the Owner shall cease to rent the Unit unless another Hardship Exemption has been granted in writing. The Board may not approve an application to rent less than the Owner’s entire Unit or to rent the Unit for a period of less than twelve (12) consecutive months.

3.2.8 The Lease Agreement. Any lease agreement between an Owner and a lessee must be in writing, and must provide, among other things, that the terms of the lease shall in all respects be subject to the provisions of the Declaration, the Articles of Incorporation of the Association, the Bylaws, and the Rules and Regulations. All lease agreements shall contain as an attachment to the lease agreement, a copy of the current Rules and Regulations of the Association. Within fourteen (14) days of a Unit being rented, the Owner must provide the Association with a copy of the signed lease agreement and the name(s) of all occupants of the Unit, and the Owner must keep such information updated with the Association within fourteen (14) days of any change. Failure of an Owner to fully comply with this section will result in a fine automatically being assessed to the Owner and or the tenant. Owner shall provide tenant a current copy of the Association’s Governing Documents and policies.

3.2.9 Tenant Violations. If the Board determines that a tenant has violated a provision of the Governing Documents, after notice and an opportunity for the Owner to request a hearing, the Board may require such Owner to terminate a rental or lease agreement or such lesser penalty as determined by the Board of Directors.

3.2.10 Administration of Rental Restrictions. To help ensure that the rental limit is not exceeded and to be consistent with Utah law, the Association shall create, by rule or resolution, procedures to: (1) determine and track the number of rentals and Units in the Association which are grandfathered or exempt pursuant to the provisions described in Subsections 3.2.5, 3.2.6 and 3.2.7; and (2) enable or aid in the consistent administration and enforcement of the rental restrictions contained herein.

3.3 Residential Use.

Units shall be used for residential purposes in accordance with, and subject to, the Governing Documents. No trade, craft, business, profession, commercial or similar activity may be conducted in a Unit, unless: (1) the existence or operation of the activity is not apparent or detectable by sight, sound or smell from outside the Unit; (2) the business activity conforms to all applicable zoning requirements; (3) the business activity does not involve persons coming onto the Properties who do not reside in the Properties or door to door solicitation within the Properties; and (4) the business activity is consistent with the residential character of the Properties and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Properties, as may be determined in the sole discretion of the Board.

3.4 Vehicles; Parking

Unless otherwise permitted by the Association, no automobile, boat, trailer or vehicle of any type

shall be parked or left on any street or any part of the Development other than in a parking area designated by the Association for the parking and storage of such vehicles. Parking by commercial vehicles for the purpose of making deliveries shall be permitted in accordance with any applicable Rules and Regulations. Except with the written consent of the Association, no Unit occupant or guest shall park anywhere in the Development more motor vehicles than there are parking spaces owned by or assigned to such Unit. The Association may adopt further rules and restrictions regarding parking and vehicles within the Property and to govern the enforcement of parking and vehicle restrictions. Vehicles in violation of the Governing Documents may be towed at the cost (including the cost of any storage thereof) of the owner. The Association shall be indemnified and held harmless by the owner of a vehicle from any loss, damage or claim caused by or arising out of the impounding, towing or storing of a vehicle pursuant hereto.

3.5 Window Coverings.

The Association may establish rules regarding draperies, blinds, shades and other interior window coverings to regulate their appearance from the exterior of buildings. No tinted windows shall be permitted. Aluminum foil, newspapers, reflective film coatings, or any other similar materials may not be used to cover the windows in any unit.

3.6 Signs, Attachments.

Unless written approval is first obtained from the Board, no awning, hanging, exterior attachment, advertisement, sign, flag, banner or poster of any kind may be posted in or upon the Properties, except the following signs and or flags which may be displayed to the public view within or next to a Unit (or as otherwise described below in this section) without such pre-approval:

3.6.1 Professional security system signs (not to exceed sixteen (16) inches by fourteen (14) inches) may be placed in the ground around the Unit (with a limit of one sign per each side – North, East, South, West – of the Unit).

3.6.2 Professional security system window stickers (not to exceed six (6) inches by six (6) inches and one sticker per window) may be placed on a Unit's windows.

3.6.3 On all state and federal holidays or on other occasions as approved by the Board or as required by federal or state law, one U.S. flag and/or one flag of the state of Utah attached to or within a Unit. These flags may also be placed upon the Unit's Limited Common Area or near the Unit on part of the Project's Common Area not more than four (4) feet distant from the Unit or from the Unit's Limited Common Area. The flag(s) must be made from fabric or cloth not exceeding three (3) feet by five (5) feet and the care of the flag and the display thereof must be consistent with federal and local government laws. No permanent flagpoles are allowed on the Common Areas or on the Limited Common Areas without prior Board approval. Any such Board approval must include parameters for uniformity in size and type. Any display of the United States flag must be consistent with the Federal Flag Act, including appropriate lighting which does not cause a nuisance to others.

3.6.4 No more than one "For Sale" sign per unit (not exceeding seventeen (17) inches by twenty-two (22) inches), which sign must be located outside the entry/exit gates leading to and from the Property.

3.6.5 Other signs or attachments may be posted only if and as expressly allowed by the Association's Rules and Regulations.

3.7 *Offensive Activities, Prohibited Behavior and Use.*

It shall be the responsibility of each Owner and resident to prevent the creation or maintenance of a nuisance in, on or about the Property. The term “nuisance” includes the following: (1) the development of any unclean, unhealthy, unsightly, or unkempt condition on or in the Property; (2) the storage of any item, property or thing that causes any Unit or the Common Area to appear to be in an unclean or untidy condition or that is noxious to the senses, that emits any foul, unpleasant or noxious odors, or that causes any noise or other condition that reasonably disturbs or might reasonably disturb the peace, quiet, safety, comfort, or serenity of the other residents of the Property; (3) actions or activities tending to cause embarrassment, discomfort, annoyance, distress or a disturbance to any other residents, their guests or invitees, particularly if the police must be called to restore order; (4) maintaining any plants, animals, devices or items, instruments, equipment, machinery, fixtures, things or conditions of any sort whose activities or existence in any way is illegal, noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish the enjoyment of the Community by other residents, their guests or invitees; and (5) too much noise or traffic in, on or about any Unit or the Common Area, especially after 10:00 pm and before 8:00 am (this does not preclude landscaping services which may begin after 7 am). No unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Nothing shall be done or kept within any Unit or on the Common Areas which will increase the cost of insurance to the Association or to other Owners or which will result in cancellation of insurance on any Unit. All complaint pursuant to this Section shall be reviewed by the Board of Directors for reasonableness.

3.8 *Antennas/Dishes.*

3.8.1 Owners are encouraged to use cable service for television and Internet. Satellite dish antennas one meter (39 inches) or less in diameter and designed to receive direct broadcast satellite service, including direct to home satellite service, or to receive or transmit fixed wireless signals via satellite (such as Direct Broadcast Satellite dishes, aka “DBS” dishes) may be installed only to the extent and in locations allowed herein and as otherwise limited by local, state or federal law. All other external antennas, including satellite dish antennas greater than one meter in diameter are prohibited in the Project.

3.8.2 Allowed dish antennas as described in 3.8.1 may only be installed on the roof of the Owner’s Unit. It is preferable that the dish antenna be installed on the rear roof of the Unit (where it is less visible from the Project streets), but if necessary, it may be installed on the front roof. No Owner may drill holes in doors or window frames in order to install the antenna or run cable from the antenna to the television or other receiving devices. All cable should be installed in such a manner as to make it as minimally visible as possible. All installations must be performed in such a manner as not to cause legitimate safety concerns. These would include, but not be limited to, danger of falling, danger of permanent damage to the building or proximity to power lines.

3.8.3 Dish antennas that are no longer “active” or “in use” must be removed from the Unit owner’s roof. Low-profile base plates or brackets used to attach the dish to the roof may be left in place.

3.8.4 Owners are responsible for any injury or damage to persons or property caused by their dish antennas. All installations must be performed in complete compliance with all applicable government statutes, rules and regulations. If permits are required, the Owner will

obtain all such permits prior to installation. These rules are meant to comply with 47 CFR § 1.4000 (a CFR [Code of Federal Regulation] passed by the Federal Communications Commission as directed by the US Congress in 1996), as may be amended from time to time. All requirements of said CFR section are hereby incorporated herein. In the event any portion of this section is held to conflict with applicable law, those portions shall be deemed stricken and all other portions of this installation policy will remain in full force and effect.

3.9 *Clothes Lines and Materials.*

No clothes lines, clothing racks, or other apparatus on which clothes, rags, or other items are exposed for the purpose of drying or airing shall be located on, and no rugs, rags, laundry, or other clothing or materials shall be allowed to hang from or within, the Property, except within a Unit or Limited Common Area screened from view from any other Unit, Common Area or the public.

3.10 *Rubbish and Trash.*

No garbage, trash, or other waste may be kept or maintained on any part of the Property outside a Unit. Allowing trash and rubbish to accumulate in a Unit so that it causes smells or a nuisance to neighbors is not permitted.

3.11 *Association Rules and Regulations.*

In addition to the restrictions and requirements contained within this document, the Association from time to time may adopt such rules and regulations governing the conduct of persons and the operation, aesthetics and use of the Units and Common Areas, including Limited Common Areas, as it may deem necessary or appropriate in order to assure the peaceful and orderly use and enjoyment of the Property and the accomplishment of the purposes of the Association and the Community.

ARTICLE IV - MAINTENANCE OBLIGATIONS

4.1 *Owner's Responsibility.*

4.1.1 Units. Maintenance of the Units shall be the sole responsibility of the Owner thereof, who shall maintain such Unit in good repair and in a clean and sanitary condition, all so as to not interfere in any way with other Owners' Units, or affect the value or use thereof, or the Common Areas, and so as to not detract from the appearance of the Community. Each Owner shall have the right, at his or her sole expense and without prior approval of the Association, to maintain, repair, paint, paper, panel, plaster, tile and finish or refinish the interior surfaces of the ceilings, floors, window frames, door frames, trim, perimeter walls of the Units and surfaces of the bearing walls and the partitions located within such Unit (including substituting new finished surfaces in the place of those existing on the ceilings, floors and walls). The Owner shall have the right to maintain, repair, paint, finish, alter, substitute and add or remove any fixtures within a Unit. Except as otherwise provided for in this Declaration, an Owner shall not be allowed to modify or decorate any exterior portion of a Unit, including the patio, deck, fixtures, walls or other exterior portion or portions of any Unit without the prior written approval of the Association.

4.1.2 Utility Facilities Servicing Only Unit. Each Owner shall be responsible for the maintenance, repair or replacement of the following that may be in, connected solely with, or servicing solely his or her Unit: any utility facilities, plumbing fixtures, water heaters, heating equipment, air conditioners and air cooling units of any type, all sewer and drainage pipes, water and other utility lines, lighting fixtures and bulbs (except exterior building mounted lights and walkway

lights which are not located within patios and decks), wiring, receptacles, switches, refrigerators, dishwasher, disposal equipment, ranges, toilets, fireplaces, or other appliances or fixtures.

4.1.3 Limited Common Area. Each Owner shall, at his or her own cost, maintain, repair and replace the Limited Common Areas appurtenant to his Unit and keep the same in a clean, sanitary and attractive condition at all times. The Association is not responsible for the maintenance, repair or replacement of a Unit or Limited Common Area (including, but not limited to buildings, decks, deck covers, patios, patio covers, cement pads, driveways, sidewalks and non-Project-perimeter fences). Any driveway shared by two Units shall be maintained, repaired and replaced by the Owners of such Units with each such Owner sharing equally in the costs thereof, unless otherwise adjudicated by the Board.

4.1.4 Fences and Fenced-in Areas.

4.1.4.1 In any case where a fence encloses an area, the enclosed portion shall remain freely accessible at all times to the Association. If such enclosed portion is not freely accessible, the Owner whose Unit directly enjoys the benefit of the fenced enclosure shall be subject to fines and shall be responsible for all lawn care and maintenance within the area enclosed by such fence. Each Owner whose Unit directly enjoys the benefit of a fence shall maintain, repair and replace such fence and the cost of repair, replacement and maintenance of a fence benefitting more than one Unit shall be shared equally by the Owners of the Units in proportion to their use of the fence.

4.1.4.2 No Separate Property Right Created. Any area enclosed by a fence shall not be deemed to be part of a Unit or an interest in real property only by virtue of its being enclosed by a fence. The applicable Owner shall merely enjoy a temporary revocable license to enjoy such enclosed area for his or her use but no further property right is or shall be created and no guarantee, covenant or promise that such a license shall continue to exist for any period of time shall be deemed to exist.

4.2 Maintenance by Association.

The Association shall maintain the Common Area, including all landscaping in the Project (except as provided in subsection 4.1.4(a) above). The Board shall determine, in its sole discretion, the appropriate maintenance of the Common Areas. If the Common Areas are damaged by the willful or negligent act of an Owner, its guests, tenants, or invitees, the Owner shall be responsible for all such damage, and the cost to repair such shall be an Assessment against that Owner and that Owner's Unit.

4.3 Failure of Owner to Maintain.

If an Owner fails to properly and adequately maintain his or her Unit or Limited Common Area, the Board may require the Owner to carry out maintenance or repair of the same. If after at least three (3) written notifications, each separated by a period of at least two (2) weeks over a period of at least three (3) months, an Owner fails to maintain his or her Unit or Limited Common Area in the manner determined by the Board, the Board may contract to have the maintenance, repair or replacement completed and pass the expense (including any associated fines) on to the Owner by way of an Individual Assessment.

4.4 Further Clarification of Responsibilities.

To the extent not clarified herein and not inconsistent with the provisions of this Declaration, the Association may, by duly adopted Board resolution, identify and assign those areas of maintenance and responsibility that are either (1) Owner responsibilities; or (2) Association responsibilities. Such determinations shall be set forth in a Board resolution distributed to all Owners and shall be binding against all Owners.

4.5 Damage.

The Association shall not be liable for injury or damage to any person or property caused by the elements, or resulting from electricity, water, rain, dust or sand which may leak or flow from outside or from any parts of any building, including from any pipes, drains, conduits, appliances, or equipment, or from any other place, unless caused by the grossly negligent or intentional act of the Association.

ARTICLE V – APPROVAL FOR CHANGES AND MAINTENANCE

5.1 Changes and Maintenance Require Approval. No exterior maintenance, repair, replacement, addition, change or alteration to any part of the Community (including any Improvement), whether structural, landscaping, cosmetic or otherwise, may be made without prior written Board approval. Board approval shall be requested through submission of plans and specifications showing the nature, kind, shape, height, materials, and location of the proposed maintenance, repair, replacement, construction, addition, change or alteration (an “Application”). Board approval is subject to qualifications and criteria determined by the Board, including but not limited to harmony of external design and location in relation to surrounding structures, topography and the Community generally. Such approval shall be solely at the discretion of the Board as it deems appropriate. The Board has the sole discretion to make final, conclusive and binding determinations on matters of aesthetic judgment and such determinations are not subject to review so long as made in good faith and in accordance with the procedures herein.

5.2 Approval or Denial of Complete Application. Within forty-five (45) days of receipt by the Board of an Application, the Board shall approve or deny the Application and send written notice to the Owner of the Board's determination. If the Application is denied because it is deficient with respect to a specific design review requirement of the Application, the notice shall set forth such deficiencies. If the Board fails to approve or deny an Application within sixty (60) days of receiving it, the Applicant shall be entitled to demand a meeting with the Board for approval or denial of the Application. Failure of the Board to act on an Application shall not be deemed to constitute an approval of the Application.

5.3 No Liability. The Board shall not be responsible for reviewing, nor shall its approval of any plan or design be deemed approval of any plan or design from the standpoint of performance for an intended purpose, adequate engineering, structural safety or conformance with building or other codes, standards or practices other than as specifically stated herein. Neither the Board nor any member thereof shall be liable to the Association or any person whatsoever for any loss, damage or injury arising out of, or in any way connected with the performance of the Board's duties hereunder.

5.4 Review Fee. The Association may charge a fee for reviewing and approving an Application. The Association shall not charge a fee for reviewing and approving plans for the construction or

improvement of a Unit (“Unit Plans”) that exceeds the actual cost of reviewing and approving the Unit Plans.

5.5 Architectural Guidelines. All exterior maintenance, repair, replacement, addition, construction or change to any Unit or Common Area (including any Improvement), whether structural, landscaping, cosmetic or otherwise, shall be consistent with and shall comply with the procedures and criteria set forth in this Declaration and such other building and design criteria which the Board is hereby empowered to adopt (referred to as “Architectural Guidelines”), to expand, clarify, and otherwise provide for the harmony and compatibility of the Improvements constructed within the Project. Architectural Guidelines shall also be deemed to include the requirement that the quality of all materials to be used in any construction or Improvements within the Project be equal or superior to that utilized for original construction. The Board shall have the authority to establish a security deposit or bond requirement as may be required by the Association and any portion of that amount that shall be non-refundable as an impact fee.

ARTICLE VI - ASSESSMENTS

6.1 Covenant for Assessments. Each Owner, by acceptance of a deed conveying any Unit to such Owner, whether or not so expressed in the deed or other conveyance, shall be deemed to have covenanted and agreed to pay the Association the following types of assessments, as provided for and defined below: Annual Assessments, Special Assessments, and Individual Assessments. No Owner may exempt itself from liability for Assessments by abandonment of a Unit. No offsets against Assessment amounts shall be permitted for any reason, including, without limitation, a claim that the Association is not properly exercising its duties and powers.

6.2 Annual Budget and Assessment.

6.2.1 Adoption of Budget. The Board shall prepare, or cause the preparation of, and adopt an annual budget for the Association, which shall provide, without limitation, for the administration, management and operation of the Association, including fulfilling its duties under this Declaration, and shall include a reserve fund line item in an amount the Board determines to be prudent based on the reserve analysis (as defined in Section 6.6.2). If the Board fails to adopt an annual budget, the last adopted budget shall continue in effect. The Board shall present the adopted budget to Owners at a meeting of the Owners.

6.2.2 Determination of Annual Assessment.

6.2.2.1 Amount, Notice. The Board shall establish the amount of the annual assessment (“Annual Assessment”) against each Unit at least thirty (30) days in advance of the beginning of the fiscal year as determined by the Board. Written notice of the Annual Assessments shall be sent to all Owners at least thirty (30) days in advance of the beginning of the fiscal year.

6.2.2.2 Approval for Increases of More Than Fifteen Percent (15%). The Annual Assessment may not be increased by more than fifteen percent (15%) above the prior fiscal year’s Annual Assessment unless such increase is first voted upon by the Owners and: (1) the votes cast favoring the increase exceed the votes cast opposing the increase, and (2) a quorum of Owners holding at least thirty percent (30%) of the voting rights in the Association cast a vote.

6.2.2.3 Equitable Changes. If the Annual Assessment is, or will become, inadequate to meet the expenses incurred by the Association during a fiscal year for any reason, including nonpayment of any Owner's Assessments on a current basis, the Board may determine the approximate amount of the inadequacy and adopt a supplemental budget which establishes the equitable change in the amount of the Annual Assessment (subject to subsection 6.2.2(b) above). Owners shall be given at least thirty (30) days' written notice of any equitable change in the amount of an Annual Assessment under this paragraph.

6.2.2.4 Omission to Fix Not a Waiver. The omission by the Board, before the expiration of any assessment period, to fix the amount of the Annual Assessment for that or the next period, shall not be deemed a waiver or modification in any respect of the provisions of this article or a release of any Owner from the obligation to pay the Annual Assessment, or any installment thereof, for that or any subsequent assessment period. In the event of such omission, the Annual Assessment fixed for the preceding period shall continue until a new assessment is fixed.

6.2.2.5 Installments of Annual Assessments. The Board shall determine whether installments of Annual Assessments are levied and collected on a monthly, quarterly, semi-annual, annual or other basis. Any Owner may prepay one or more installments of any Assessment without premium or penalty.

6.3 *Apportionment of Assessments.* All Units shall pay a pro rata share of the Annual Assessment and Special Assessments based upon the Percentage Interests of Units. Individual Assessments shall be apportioned exclusively against the Units benefitted or to which the expenses are attributable as provided for below.

6.4 *Purpose of Assessments.* The Assessments levied by the Association shall be used to fulfill the purposes of the Association and carry out the provisions of this Declaration, including, but not limited to: (1) The improvement, maintenance, operation, care, and services related to the Common Areas and other areas for which the Association is responsible; (2) The costs of utilities and other services which may be provided by the Association for the Community; (3) The cost of labor, equipment, insurance, materials, management, legal and other professional and administrative fees incurred or expended in performing the duties under this Declaration or the Bylaws; (4) The cost of funding reserves for the Association; and (5) Any item properly chargeable as a common expense of the Association.

6.5 *Special Assessments.* In addition to the Annual Assessments authorized in this article, the Association may levy a special assessment from time to time for the purpose of defraying, in whole or in part, the costs incurred or to be incurred by the Association which cannot be paid for through other types of Assessments (a "Special Assessment"). The Board may authorize a Special Assessment for any lawful purpose provided, however, that any Special Assessment levied within twelve (12) months of a prior Special Assessment, and any Special Assessment greater than five hundred dollars (\$500) per Owner may only be levied if it is first voted upon by the Owners and: (1) the votes cast favoring the Special Assessment exceed the votes cast opposing it, and (2) a quorum of Owners holding thirty percent (30%) of the Percentage Interests exists.

6.6 *Individual Assessments.* Any expenses benefitting or attributable (as determined by the

Board) to fewer than all of the Units may be assessed exclusively against the Units affected or benefitted (“Individual Assessments”). Individual Assessments shall include, but are not limited to: (1) Assessments levied against any Unit to reimburse the Association for costs or attorney fees incurred in bringing the Unit or its Owner into compliance with, or to otherwise defend or uphold, or carry out, the provisions of the Governing Documents and for fines or other charges, including attorney fees, imposed pursuant to this Declaration for violation of the Governing Documents; (2) Expenses incurred by the Association relating to the cost of maintenance, repair, or replacement of the individual Units. However, a Unit Owner who is assessed an Individual Assessment may request a hearing before the Board pursuant to Section 8.4 of this Declaration.

6.7 Reserve Analysis.

6.7.1 Reserve Analysis Required. The Board shall cause a reserve analysis to be conducted no less frequently than every six (6) years, and shall review and, if necessary, update a previously conducted reserve analysis no less frequently than every three (3) years. However, the Board may increase the frequency of conducting and updating a reserve analysis in a formal resolution of the Board delivered to all Owners. The Board may conduct a reserve analysis itself or may engage a reliable person or organization, as determined by the Board, to conduct the reserve analysis.

6.7.2 Reserve Analysis Defined. “Reserve analysis” means an analysis to determine the need for a reserve fund to accumulate reserve funds, and the appropriate amount of any reserve fund. A reserve analysis shall include:

6.7.2.1 A list of the components identified in the reserve analysis that will reasonably require reserve funds;

6.7.2.2 A statement of the probable remaining useful life, as of the date of the reserve analysis, of each component identified in the reserve analysis;

6.7.2.3 An estimate of the cost to repair, replace, or restore each component identified in the reserve analysis;

6.7.2.4 An estimate of the total annual contribution to a reserve fund necessary to meet the cost to repair, replace, or restore each component identified in the reserve analysis during the component's useful life and at the end of the component's useful life; and

6.7.2.5 A reserve funding plan that recommends how the Association may fund the annual contribution described herein.

6.7.3 Reserve Analysis Summary Provided to Owners. The Association shall: (a) annually provide Owners a summary of the most recent reserve analysis or update; and (b) provide a copy of the complete reserve analysis or update to an Owner who requests a copy.

6.8 Reserve Fund. The Association shall establish and maintain a reserve fund, separate from other Association funds, for repairs and replacement of the Common Areas, for any emergency, unforeseen, unusual, or unanticipated expenditure, and for any other purpose determined from time to time by the Board. In formulating the budget each year, the Association shall include a reserve fund line item in an amount the Board determines, based on the reserve analysis, to be prudent. The

Board may not use money in a reserve fund for daily maintenance expenses, unless a majority of the Owners vote to approve the use of reserve fund money for that purpose. Daily means performed or occurring more often than yearly.

6.9 *Nonpayment of Assessments.* Unless otherwise provided by a Rule, the Annual Assessments shall be levied and due and payable on a monthly basis on the first (1st) calendar day of each month and shall be delinquent if not paid within fifteen (15) days after the due date or such other date established by the Board (the “date of delinquency”). The due date of any Special Assessment or other Assessment shall be fixed in the resolution authorizing the Assessment or in the notice of the Assessment.

6.9.1 Interest. Delinquent payments shall bear interest at the rate of eighteen percent (18%) per annum, or such other lower rate established by the Board from time to time.

6.9.2 Late Charge. Each delinquent payment shall be subject to a late charge in the amount established by the Board from time to time, not to exceed twenty percent (20%) of the delinquent payment for which the late charge is being assessed or otherwise determined by the Board and defined in Association’s Rules and Regulations established by the Board.

6.9.3 Acceleration. If the delinquent installments of Annual Assessments and any charges thereon are not paid in full, the Board, or its authorized agent, may declare all of the unpaid balance of the Annual Assessment to be immediately due and payable upon not less than ten (10) days’ written notice to the Owner, and may enforce the collection of the full Annual Assessment and all charges thereon in any manner authorized by law and this Declaration. If, however, the Assessment is accelerated and an Owner subsequently files bankruptcy or the Board otherwise decides acceleration is not in its best interest, the Board, at its option and in its sole discretion, may elect to decelerate the obligation.

6.9.4 Rent Payments by Tenant to Association. If the Owner of a Unit who is leasing the Unit fails to pay an assessment for more than sixty (60) days after the assessment is due, the Board may demand that the tenant pay to the Association all future lease payments due to the Owner, beginning with the next monthly or other periodic payment, until all amounts due to the Association are paid. Such demand to the tenant shall be made in accordance with the law and the written procedures of the Association. The Board, or its agent, shall give the Owner written notice of its intent to demand full payment from the tenant and such notice shall be made in accordance with the law and the written procedures of the Association. Reasonable legal and collection expenses may be added to the amount of the assessment to be collected.

6.9.5 Termination of Common Service and Facility Use. If an Owner fails or refuses to pay an assessment when due, the Board may, after giving notice and an opportunity to request a hearing in accordance with the law and any written procedures of the Association, terminate an Owner’s right: (1) to receive any service paid as a common expense, including but not limited to utility services; and (2) of access and use of recreational facilities. If a hearing is requested, utility services or right of access and use of the recreational facilities may not be terminated until after the hearing has been conducted and a final decision has been rendered by the Board. In the event that the Association incurs costs to terminate any such utility service, the defaulting Owner shall be responsible for all such costs. Upon payment of the assessment due, including any interest, late charge, and costs of collection, the Board shall immediately take action to reinstate the terminated utility services to the Unit.

6.9.6 Remedies under the Act and Other Law. The Association shall have each and every remedy for collection of assessments provided in the Utah Condominium Ownership Act, Utah Code Title 57, Chapter 8, as amended from time to time, and in Utah Code Title 12, and such remedies and provisions shall be deemed to be fully set forth herein. A collection fee shall be imposed upon any delinquent account turned over to an attorney or collection agency for collection, in accordance with Utah Code § 12-1-11, in addition to any other amount owed to the Association.

6.10 Lien. All Assessments and charges imposed, together with damages, fines, interest, costs of collection, late charges, and attorneys' fees provided for in this Declaration (whether or not a legal proceeding is initiated) or by law or awarded by a court for enforcement of the Governing Documents shall be a charge and continuing lien upon each of the Units against which the Assessment is made and shall be construed as a real covenant running with the land. The recording of this Declaration constitutes record notice and perfection of the lien established herein. If an assessment is payable in installments, the lien is increased for the amount of each installment as such becomes due and this provision shall be deemed a notice of assessment.

6.11 Personal Obligation and Costs of Collection. Assessments imposed under this Declaration, together with interest and costs and reasonable attorneys' fees incurred or expended by the Association in the collection thereof (whether or not a lawsuit is initiated), shall also be the personal obligation of the Owner holding title to any Unit and in a voluntary conveyance, the grantee of a Unit shall be jointly and severally liable with the grantor for all unpaid Assessments against the latter up to the time of the grant or conveyance, without prejudice to the grantee's rights to recover from the grantor the amounts paid by the grantee.

6.12 Appointment of Trustee. By acceptance of a deed for a Unit, each Owner as trustor conveys and warrants to trustee in trust for the Association, as beneficiary, with power of sale, the Owner's Unit and all improvements thereon for the purpose of securing payment of all Assessments (including basis of collection) provided for in this Declaration. For purposes of this Section, the Act, and Utah Code Ann. §§57-1-19, et seq., as amended from time to time, the trustee shall mean the attorney for the Association, and the Association may provide notice and disclosure of the trustee, or substitution thereof, by recording an appointment or substitution of trustee in the records of the local County Recorder. Each Owner hereby also grants to the Association and trustee all powers and rights of non-judicial trust deed foreclosure provided for in Utah Code Ann. §§57-1-19, et seq.

6.13 Enforcement of Lien. The lien provided for in this Article may be enforced by the Association by causing a Unit to be sold through nonjudicial foreclosure as though the lien were a deed of trust, or by foreclosing the lien through a judicial foreclosure, all in the manner provided by the Act and by the laws of the state of Utah for the non-judicial foreclosure of deeds of trusts or the law for the foreclosure of a mortgage, as the case may be. The Association shall have the power to bid on the Unit at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. Upon completion of the foreclosure sale, the defaulting Owner shall be required to pay the reasonable rental value of such Unit during any period of continued occupancy by the defaulting Owner or any persons claiming under the defaulting Owner, and an action may be brought by the Association or the purchaser at the sale in order to secure occupancy of the defaulting Owner's Unit, the costs and attorney fees associated with which shall be awarded to the Association or the purchaser, as the case may be. The Association shall be entitled to the appointment of a receiver to collect the rental income or the reasonable rental value without regard to the value of the security.

6.14 Subordination of Lien to Mortgages. The lien provided for in this Article has priority over each other lien and encumbrance on a Unit except a first or second security interest on the Unit secured by a mortgage or deed of trust that is recorded before a recorded notice of lien by or on behalf of the Association, or a lien for real estate taxes or other governmental assessments or charges against the Unit. The sale or transfer of any Unit pursuant to mortgage or deed of trust foreclosure (but not a proceeding in lieu thereof) shall extinguish the lien provided for herein as to payments which became due prior to such sale or transfer. Such sale or transfer shall not relieve the Unit from liability or lien for any Assessments or charges thereafter becoming due, and shall not relieve any Owner of his or her personal obligation for such amounts.

6.15 Statement of Unpaid Assessment & Payoff Information. The Association shall, upon demand at any time, furnish to any Owner liable for assessment a certificate in writing signed by an officer of the Association setting forth whether Assessments have been paid. The certificate shall be conclusive evidence of payment of any assessment therein stated as having been paid. A reasonable charge, determined by the Association, may be levied in advance by the Association for each certificate so delivered. The Association may charge a fee for providing Association payoff information needed in connection with the financing, refinancing, or closing of an Owner's sale of the Owner's Unit up to the maximum amount allowed by law.

6.16 Application of Payments. Payments upon an Owner's account shall be applied first to costs and attorney fees, then to the oldest charges (regardless of type) on the Owner's account.

ARTICLE VII – THE ASSOCIATION

7.1 Organization. The Association has been organized as a nonprofit corporation under the nonprofit corporation laws of the state of Utah (Utah Code Annotated Titled 16 Chapter 6a, as may be amended from time to time). In the event the Association is at any time administratively dissolved by the State of Utah, the Board may re-incorporate the Association without a vote of the Owners. The affairs of the Association shall be governed by a Board of Directors as provided herein and in the Bylaws.

7.2 Membership. Each Owner during the entire period of Owner's ownership of one (1) or more Units within the Community shall be a member of the Association. The membership shall commence, exist and continue by simply virtue of the ownership, shall expire automatically upon termination of ownership and need not be confirmed or evidenced by any certificate or acceptance of membership.

7.3 Voting Rights. The method of voting shall be as provided in the Bylaws and each Owner shall have one vote in matters of the Association for each Unit owned for a total of twenty-nine (29) possible votes. Cumulative voting is not permitted.

7.4 Powers and Duties of the Association.

7.4.1 The Association shall have all the powers set forth in its Articles of Incorporation and Bylaws, together with its general powers as a corporation and under any applicable statute, as such statute may be amended to expand the scope of association powers, and the power to do any and all things which may be authorized, required or permitted to be done by the Association under and by virtue of this Declaration, including the power to levy and collect assessments and fines as provided

in this Declaration. Without in any way limiting the generality of the foregoing, the Association shall have the following powers:

7.4.2 In fulfilling any of its duties under this Declaration, including its duties for the management, maintenance, repair, operation or administration of the Community or in exercising any of its rights to construct, maintain and repair the Common Areas, the Association shall have the power and authority to do the following: (1) to pay and discharge any and all liens placed upon any Unit on account of any work done or performed by the Association in the fulfillment of any of its obligations and duties of maintenance, repair, operation or administration, (2) to defend, bring, prosecute, and settle litigation for itself and the Community, (3) to obtain, contract and pay for, or to otherwise provide for such utility services as the Board may from time to time deem desirable, and the services of architects, engineers, attorneys and certified public accountants and such other professional or nonprofessional services as the Board may deem desirable, (4) to delegate by resolution or contract to a Managing Agent any of its powers under this Declaration, (5) to repair or restore the Community 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 and the Association, as the attorney-in-fact for each Owner, shall represent all of the Owners and the Association in any condemnation proceeding or in negotiations, settlements, and agreements with the condemning authority for the acquisition of any part of the Common Area (the award in any condemnation proceeding, the proceeds of any settlement related thereto, and the proceeds of any insurance on the Common Areas shall be payable to the Association for the use and benefit of the Owners and their mortgagees as their interests may appear), (6) to grant easements and rights-of-way over the Common Area and to approve signage for the Project, and (7) to borrow money and to pledge or assign current or future Assessments as security for any loan obtained by the Association, provided the assent of a majority of the voting interests is obtained prior to mortgaging, pledging or hypothecating any or all of the Association's real property as security.

7.4.3 Provision of Services and Facilities. The Association may provide services and facilities for the Units, Owners, their guests, lessees and invitees. A facility is space designated, or equipment built and installed, to serve a specific function. The Association shall be authorized to enter into contracts or other similar agreements with other entities, to provide such services and facilities, including contracts with telecommunication service providers and facilities owners pursuant to which the provider serves as the exclusive or nonexclusive provider of telecommunication services and/or facilities to each Unit, as well as the power to enter into, on behalf of the Association, similar bulk rate service contracts of any nature deemed in the Association's best interests. By way of example, some services and facilities which may be provided include snow removal, landscape maintenance, pest control, telecommunication service, security service or facilities, fire protection facilities, caretaker, utilities, and similar services and facilities. The Board shall be permitted to modify, cancel or remove existing services or facilities, if any, or to provide or establish additional services and facilities, except that the prior approval of the Owners shall be obtained, by a vote where a majority of the votes cast are cast in favor of the proposal, in order to cancel or remove any existing service or facility or to provide or establish an additional service or facility. Nothing contained herein shall be relied upon as a representation as to what services and facilities, if any, shall be provided by the Association.

ARTICLE VIII - COMPLIANCE, ENFORCEMENT, APPEAL

8.1 Compliance. All Unit Owners, occupants of the Property, or any other person who may in any manner use the Property or any part thereof shall be subject to and comply with the provisions of the Governing Documents, the Act, and any other applicable law. Failure to comply therewith shall be grounds for levying of fines and an action or suit maintainable by the Association or an aggrieved Owner.

8.2 Remedies. The voting rights of any Owner more than sixty (60) days' delinquent in his or her account with the Association shall be automatically suspended until the account is brought current. Violation of any provisions of the Governing Documents (including failure to timely pay an assessment) or of any decision of the Association made pursuant to the Governing Documents, shall give the Board acting on behalf of the Association, the right, but not the obligation, in addition to any other rights set forth in the Governing Documents, or under law, to do any or all of the following after giving notice:

8.2.1 Subject to the provisions of this Declaration, to enter a Unit or Limited Common Area as to which such violation exists and to summarily abate and remove, at the expense of the defaulting Owner, any structure, thing, or condition that may exist contrary to such provisions, and the Board shall not thereby be deemed guilty of any manner of trespass;

8.2.2 To enjoin, abate, or remedy such thing or condition by appropriate legal proceeding;

8.2.3 To levy fines (in accordance with Section 8.3 below). A violation of any express rule, regulation, covenant, restriction or provision of any of the Governing Documents shall be subject to a fine in the amount set forth in a schedule of fines adopted by the Association from time to time, or in the absence of such schedule, fifty dollars (\$50) for a first offense and one hundred (\$100) for subsequent offenses of the same violation or one hundred (\$100) per ten days for a continuous violation;

8.2.4 To terminate the right to receive utility or other services paid for by the Association, and to terminate the right of access to and use of recreational and service facilities of the Association until the correction of the violation has occurred;

8.2.5 To suspend the voting rights of an Owner, but not for longer than sixty (60) days except in the case of a continuous violation;

8.2.6 Consistent with the terms of the Declaration and Utah law, to engage legal services to bring suit or action against the Owner on behalf of the Association and/or other Owners to enforce the Governing Documents and the Association shall be entitled to recovery of its attorney fees and costs in such case.

8.3 Fines. The Association may assess a fine against an Owner for a violation of the Governing Documents in accordance with the following provisions.

8.3.1 Warning. A written warning ("Warning") shall be sent to the Owner of the Unit. The

Warning shall:

8.3.1.1 Describe the violation;

8.3.1.2 State the rule or provision of the Governing Documents that the Owner has violated;

8.3.1.3 State that the Board may, in accordance with the provisions of the law, assess fines against the Owner and suspend membership rights if a continuing violation is not cured or if the Owner commits similar violations within one (1) year after the day on which the Board gives the Owner the Warning or assesses a fine against the Owner,

8.3.1.4 If the violation is a continuous violation, state a time by which the Owner must cure the violation (which time must be at least forty-eight (48) hours after the day the Owner is given the Warning), and

8.3.1.5 State the amount of the fine that will be assessed if a continuous violation is not cured within forty-eight (48) hours or if the Owner commits similar violations within one (1) year after the day on which the Board gives the Owner the Warning or assesses a fine against the Owner.

8.3.2. Initial Fine. The Board may assess a fine against an Owner if: (1) within one (1) year after the day on which the Board gives the Owner a Warning, the Owner commits another violation of the same rule or provision identified in the Warning; or (2) for a continuing violation, the Owner does not cure the violation within forty-eight (48) hours after the day the Owner is given the Warning.

8.3.3. Subsequent Fines for Same Violation. After a fine is assessed against an Owner, the Board may, without further warning, assess an additional fine against the Owner each time the Owner: (1) commits a violation of the same rule or provision within one (1) year after the day on which the Board assesses a fine for a violation of the same rule or provision; or (2) allows a violation to continue for ten (10) days or longer after the day on which the Board assesses the fine.

8.3.4. Notice of Fine. Each time a fine is assessed, notice of the fine shall be sent to the Owner describing the violation, stating the rule or provision of the Governing Documents that the Owner has violated, and stating that the Owner may request in writing an informal hearing before the Board to dispute the fine within thirty (30) calendar days after the date of the receipt of notice.

8.4 Appeal by Owner. Any Owner who is assessed a fine, penalty or Individual Assessment, or who has rights suspended, may request in writing an informal hearing before the Board to dispute the fine, penalty, Individual Assessment or suspension within thirty (30) calendar days after the date of the receipt of notice stating that the fine, penalty or Individual Assessment is assessed or that rights have been suspended. The hearing requested shall be conducted in accordance with procedures promulgated by resolution of the Board from time to time, or if none, in accordance with the standards determined by the Board at the hearing.

8.5 Action by Owners. Subject to any limitation imposed under this Declaration, the Bylaws, or Utah law, an aggrieved Owner may bring an action against such other Owner or the Association to recover damages or to enjoin, abate, or remedy a thing or condition by appropriate legal proceedings.

8.6 Board Action to Enforce Governing Documents – Parameters. The Board shall use its reasonable judgment to determine whether to exercise the Association’s powers to impose sanctions or pursue legal action for a violation of the Governing Documents, including whether to compromise a claim made by or against the Board or Association, and whether to pursue a claim for an unpaid Assessment. The Association may not be required to take enforcement action if the Board determines, after fair review and acting in good faith and without conflict of interest, that under the particular circumstances: (1) the Association’s legal position does not justify taking any or further enforcement action; (2) the covenant, restriction, or rule in the Governing Documents is likely to be construed as inconsistent with current law; (3)(A) a technical violation has or may have occurred, and (B) the violation is not material as to a reasonable person or does not justify expending the association’s resources; or (4) it is not in the Association’s best interests to pursue an enforcement action, based upon hardship, expense, or other reasonable criteria. If the Board decides to forego enforcement, the Association is not prevented from later taking enforcement action. The Board may not be arbitrary, capricious, or against public policy in taking or not taking enforcement action. The Association’s actions or inactions in enforcing or not enforcing a provision of the Governing Documents shall in no event be deemed to constitute a waiver or modification of that provision.

8.7 Injunctive Relief. Nothing in this Declaration shall prevent an Owner, the Association, or other interested party from resort to a court of competent jurisdiction in those instances where injunctive relief may be appropriate. In such an action, the violation of any covenants or restrictions in the Governing Documents shall be presumed to cause irreparable harm to the Association and its members.

8.8 Notification of First Mortgagee. The Board shall notify in writing any first Mortgagee of any individual Unit of any default in performance of the terms of this Declaration by the Unit Owner which is not cured within sixty days provided such Mortgagee has requested in writing to be so notified.

ARTICLE IX - INSURANCE

9.1 Insurance.

9.1.1 Property and Liability Insurance. The Association shall maintain a master insurance policy which includes: (1) blanket property insurance with not less than one hundred percent (100%) of the full replacement cost for the physical structures in the condominium project, including Common Areas and facilities, Limited Common Areas and facilities, and Units, and including fixtures, improvements and betterments to a Unit made by a Unit Owner, insuring against all risks of direct physical loss commonly insured against, including fire and extended coverage perils; and (2) liability insurance having at least a One Million Dollar (\$1,000,000.00) limit per total claims that arise from the same occurrence, including medical payments insurance covering all occurrences commonly insured against for death, bodily injury, and property damage arising out of or in connection with the use, ownership, or maintenance of the common areas and facilities.

9.1.1.1 The Association’s property insurance shall include coverage for any fixture, improvement, or betterment installed by a Unit Owner to a Unit or to a Limited Common Area, including a floor covering, cabinet, light fixture, electrical fixture, heating or plumbing fixture, paint, wall covering, window, and any other item permanently part of or affixed to a Unit or to a Limited Common Area element associated with a Unit.

9.1.1.2 Each Unit Owner is an insured person under the Association's property insurance policy. Each Unit Owner is an insured person under a liability insurance policy that the Association obtains, but only for liability arising from: (i) the Unit Owner's ownership interest in the Common Areas, (ii) maintenance, repair, or replacement of Common Areas, and (iii) the Unit Owner's membership in the Association.

9.1.2 Fidelity Insurance or Bond. The Association shall obtain and maintain adequate fidelity coverage to protect against dishonest acts by its officers, members of the Board, employees, and all others who are responsible for handling funds of the Association, including any property manager. Such fidelity coverage shall: (i) name the Association as an obligee; (ii) not be less than the estimated maximum of funds, including reserve funds, in the custody of the Association or managing agent, as the case may be, at any given time, and shall in no event be in an amount less than three (3) months assessments on all Units plus reserves; (iii) contain an appropriate endorsement(s) to the policy to cover any persons who serve without compensation if the policy would not otherwise cover volunteers, and to cover the Association's management agent, if the Association has delegated some or all of the responsibility for the handling of funds to a management agent; (iv) provide that coverage may not be canceled or substantially modified (including cancellation for nonpayment of premiums) without at least ten (10) days prior written notice to the Association or any insurance trustee.

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

9.1.4 Directors and Officers (D&O) Insurance. The Association shall purchase and maintain insurance on behalf of any person who was or is a Board member or officer of the Association, and any other person the Association is required by law or contract to indemnify, against any liability asserted against him or her or incurred by him or her in any such capacity or arising out of his or her status as such, whether or not the Association would have the power to indemnify him or her against such liability under the laws of the State of Utah, as the same may hereafter be amended or modified.

9.1.5 Other Insurance. The Association shall obtain such other insurance if and to the extent required by law or as the Board deems necessary from time to time, such as workers' compensation insurance.

9.1.6 Loss Not Exceeding Deductible. If, in the exercise of the business judgment rule, the Board determines that a covered loss is likely not to exceed the policy deductible of the Association and until the covered loss exceeds the deductible of the property insurance of the Association and a claim is submitted to the property insurance insurer of the Association: (i) for a Unit to which a loss occurs, the Unit Owner's policy is considered the policy for primary coverage for the damage to that Unit; (ii) the Association shall pay for any loss for any common areas and facilities for which a loss occurs; (iii) a Unit Owner who does not have a policy to cover the damage to that Unit Owner's Unit

is responsible for that Unit damage and the Association may, as provided herein, recover any payments the Association makes to remediate that Unit, and (iv) the Association need not tender the claim to the Association's insurer.

9.1.7 The Association shall set aside an amount equal to the amount of the association's property insurance policy deductible or ten thousand dollars (\$10,000), whichever is less.

9.1.8 An insurer under a property insurance policy issued to the Association shall adjust with the Association a loss covered under the Association's policy.

9.1.9 Loss Due to Fault of Another. This Declaration does not prevent a person suffering a loss as a result of damage to property from asserting a claim, either directly or through subrogation, for the loss against a person at fault for the loss, except that, notwithstanding the foregoing, an insurer under a property insurance policy or liability insurance policy obtained by the Association waives the insurer's right to subrogation under the policy against: (a) any person residing with the Unit Owner, if the Unit Owner resides in the Unit, and (b) the Unit Owner.

9.1.10 Power of Attorney, Insurance Trustee. The Association may enter into an insurance trust agreement with a trustee (the "Insurance Trustee") who shall thereafter have exclusive authority to negotiate losses under any policy providing property or liability insurance and to perform such other functions as are necessary to accomplish this purpose. By purchasing a Unit, all Owners appoint the Association or any Insurance Trustee designated by the Association as attorney-in-fact for the purpose of purchasing and maintaining the insurance specified in this section, including: (1) the collection and appropriate disposition of the proceeds thereof; (2) the negotiation of losses and execution of releases of liability; (3) the execution of all documents; and (4) the performance of all other acts necessary to accomplish such purpose. By purchasing a Unit, all Owners appoint the Association or any trustee designated by the Association as attorney-in-fact for the purpose of representing the Owners in condemnation proceedings or negotiations, settlements, and agreements with the condemning authority for acquisition of the Common Areas, or part thereof, by the condemning authority.

9.1.11 The Association, or insurance trustee if any, shall hold any proceeds of insurance in trust for Unit Owners and their first (1st) mortgage holders as their interests may appear. The policies required herein for the Association must provide that they may not be cancelled or substantially modified without at least ten (10) days prior written notice to the Association and to each holder of a first (1st) mortgage listed as a scheduled holder of a first (1st) mortgage in the policies. No policies shall require that contributions or assessments may be made against borrowers, FNMA, FHLMC, or the designee of FNMA or FHLMC. Loss payments shall not be contingent upon action by the carrier's board of directors, policyholders, or members. The policies shall include: (1) a waiver of the right of subrogation against Unit Owners individually, (2) that the insurance is not prejudiced by any act or neglect of individual Unit Owners which is not in the control of such Owners collectively.

9.1.12 The Association shall use generally acceptable insurance carriers. Specific requirements for qualifications of insurance carriers may be found in the FNMA Conventional Home Mortgage Selling Contract Supplement and the FHLMC Sellers Guide.

9.2. *Unit Owner Insurance Responsibility.* For Units, the Association's policy is primary but the Unit Owner is responsible for the deductible as follows:

9.2.1 If a loss occurs that is covered by the Association's policy and by a Unit Owner's policy, the Association's policy provides primary insurance coverage, but the Unit Owner is

responsible for the deductible of the association of Unit Owners, and Coverage A of the Unit Owner's policy applies to that portion of the loss attributable to the policy deductible of the Association.

9.2.2 If a Unit, or Limited Common Area element appurtenant to a Unit, suffers damage as part of a covered loss, the Unit Owner is responsible for an amount calculated by applying the percentage of total damage resulting in a covered loss that is attributable to Unit damage for that Unit to the amount of the deductible under the Association's policy. If a Unit Owner does not pay the amount required within thirty (30) days after substantial completion of the repairs to, as applicable, the Unit or the Limited Common Area appurtenant to the Unit, the Association may levy an assessment against a Unit Owner for that amount.

9.2.3 The deductible under the Association's policy is subject to change from time to time by the Board. The Association shall provide notice to the Owners of any change in the amount of the deductible.

9.2.4 The Association's policy does not cover the contents of a Unit or an Owner's personal property. Each Owner is strongly encouraged to obtain insurance coverage for contents of their Unit, as well as for coverage in the event the Owner has to pay the Association's deductible as provided above.

ARTICLE X - AMENDMENT

10.1 Amendment. Any and all of the conditions, restrictions, charges and terms contained in this Declaration may be changed, annulled, waived, or added to through a duly adopted amendment to this Declaration.

10.2 How Proposed. Amendments to the Declaration shall be proposed to the membership only by the Board, either on its own initiative or after it receives a written request to do so signed by Owners holding twenty percent (20%) or more of the Percentage Interests. The proposed amendment must be reduced to writing and shall be included in the notice of any meeting at which action is to be taken thereon or attached to any request for approval of, or consent to, the amendment.

10.3 Approval Required. This Declaration may be amended if such amendment is approved by Owners holding sixty percent (60%) of the Percentage Interests. Notwithstanding anything herein to the contrary, the Governing Documents may be amended by the Board without approval of the Owners if an amendment is necessary to comply with FHA or other regulatory or lending guidelines or restrictions in order to facilitate the ability to secure financing for the sale of Units.

10.4 Execution and Recordation. An amendment shall not be effective until the amendment is certified by the president of the Association as being adopted in accordance with this Declaration and is acknowledged and recorded in the appropriate County Recorder's Office.

ARTICLE XI – MISCELLANEOUS PROVISIONS

11.1 Premises Liability. The Association and the Board are and shall remain wholly free and clear of any and all liability to, or claims by, all Unit Owners and all persons and entities, of whatever kind or character, whether sounding in contract or tort, deriving from the occurrence of any injury or damage to any person or property on, or in respect of the use and operation of, the Common Area or any of its improvements, fixtures, and facilities and a Unit Owner shall defend, indemnify

and hold harmless the Association and Board against such claim, loss or liability asserted by such Unit Owner or his or her guest, invitee, licensee, tenant, or visitor. In this respect, it shall be the affirmative duty and responsibility of each Unit Owner and user of the Common Area facilities to continuously inspect the same for any defects or perils or other unsafe conditions or circumstances, prior to and during such use or enjoyment thereof; and all users of, and visitors to, the Common Area and its improvements and facilities shall use, enjoy, and visit, the same at their own risk and peril.

11.2 Priority of Governing Documents. To the extent possible under the law and in light of the requirement of the Act that organizational documents for a nonprofit corporation shall not conflict with the rights and obligations found in the declaration and bylaws, in the event of any conflict between or among this Declaration and any other Governing Document, the document in the highest priority beginning with the first document listed hereinafter shall prevail (as to any such conflict) over any later listed document: this Declaration, the Articles of Incorporation, Bylaws, Rules and Regulations.

11.3 Interpretation. All questions of interpretation or construction of any of the covenants or restrictions in the Governing Documents shall be resolved by the Board, and its decision shall be final, binding and conclusive on all parties affected for all purposes. The covenants, restriction and terms of this Declaration are to be interpreted broadly to give effect to the Association's role as the governing body of the Community and to grant all the powers necessary for management of the common property, administration of the servitude regime, carrying out other functions set forth herein, and furthering the purposes of the Association. The enumeration of specific items, acts, rights, or powers in this instrument does not limit or restrict and is not to be construed or interpreted as limiting or restricting, the general powers granted to the Association or Board except where powers are expressly restricted.

11.4 Recovery of Costs and Attorney Fees. The Association shall be entitled to recover its costs and attorney's fees incurred for enforcement of this Declaration regardless of whether any lawsuit or other action is commenced. Such costs and attorney's fees shall automatically be and constitute an assessment against the Owner and the Unit. Additionally, the prevailing party shall be entitled to its attorney fees and costs in any dispute concerning any Governing Document, including an action dealing with the declaration of rights and obligations thereunder with or without a defaulting party, whether such costs and expenses are incurred with or without suit; before or after judgment; in any appeal; in any bankruptcy or receivership proceeding; or in connection with any alternative dispute resolution proceeding.

11.5 Invalidity; Number; Captions. The invalidity of any part of this Declaration shall not impair or affect in any manner the validity, enforceability, or effect of the balance of this Declaration. As used herein, the singular shall include the plural and the plural the singular. The masculine and neuter shall each include the masculine, feminine, and neuter, as the context requires. All captions used herein are intended solely for convenience of reference and shall in no way limit any of the provisions of this Declaration.

11.6 Joint Owners. In any case in which two or more persons share the ownership of any Unit, regardless of the form of ownership, the responsibility of such persons to comply with this Declaration shall be a joint and several responsibility and the act or consent of any one or more of such persons shall constitute the act or consent of the entire ownership interest, subject to the provisions of the Bylaws regarding voting by joint owners.

11.7 Lessees and Other Invitees. No damage to, or waste of the Common Areas or any part thereof shall be committed by any Owner or any Unit occupant, guest, invitee, lessee of any Owner, and each Owner shall indemnify and hold the Association and the other Owners harmless against all loss resulting from any such damage or waste caused by any such person. Lessees, invitees, guests, Unit occupants, contractors, family members and other persons entering the Property under rights derived from an Owner shall comply with all of the provisions of the Governing Documents restricting or regulating the Owner's use, improvement or enjoyment of such Owner's Unit and other areas within the Property. The Owner shall be responsible for obtaining such compliance and shall be liable for any failure of compliance by such persons in the same manner and to the same extent as if the failure had been committed by the Owner.

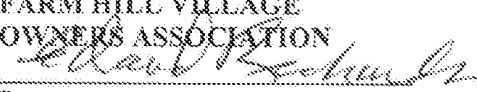
11.8 Waiver, Precedent and Estoppel. No restriction, condition, obligation or provision contained in this Declaration or rules and regulations adopted pursuant hereto shall be deemed to have been abrogated or waived by the Association, the Board or any Owner by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur and any failure to enforce the same shall not be deemed to constitute precedent or estoppel impairing the right of the Association, Board or Owner as to any similar matter.

11.9 Notice of Sale or Lease. Immediately upon the sale, rental or other conveyance of any Unit, the Owner shall promptly inform the secretary or manager of the name and address of said grantee or tenant. The Board may for all purposes act and rely on the information concerning Owners and Unit ownership which is thus acquired by it and the address of each Owner shall be deemed for all purposes to be the address of the Unit owned by such Owner unless the Board is otherwise advised in writing.

11.10 Person to Receive Service of Process. The person designated to receive service of process on behalf of the Project, in the cases provided by the Utah Condominium Ownership Act, is the registered agent of the Association as designated by the Association from time to time with the Utah Division of Corporations and Commercial Code.

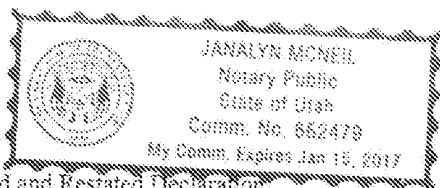
IN WITNESS WHEREOF, Farm Hill Village Owners Association, has executed this Declaration this 5th day of DECEMBER, 2016.

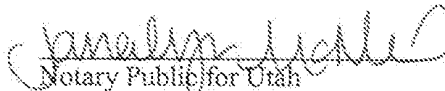
FARM HILL VILLAGE
OWNERS ASSOCIATION


By: C. DAVID RICHARDS
Its: PRESIDENT

STATE OF UTAH)
)ss:
County of Salt Lake)

Acknowledged before me on this 5th day of December, 2016, by
C. David Richards, of Farm Hill Village Owners Association.




Notary Public for Utah

Amended and Restated Declaration

Exhibit A

Legal Description

Units 1 – 29, FARM HILL VILLAGE CONDOMINIUMS, according to the official plat thereof recorded in the records of the Salt Lake County Recorder.

First Parcel #: 22172350010000

EXHIBIT B

BYLAWS

OF

FARM HILL VILLAGE OWNERS ASSOCIATION

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ARTICLE 1 - DEFINITIONS

The definitions contained in or adopted by the Declaration shall be applicable to these Bylaws.

ARTICLE 2 – NOTICE, AFFAIRS, HOA REGISTRY

2.1 Notices.

2.1.1 Association. All notices to the Association or the Board shall be sent care of the managing agent or, if there is no managing agent, to the principal office of the Association or to such other address as the Board may hereafter designate from time to time.

2.1.2 Owners.

2.1.2.1 Notice by Electronic Means. In any circumstance where notice is required to be given to the Owner, the Association may provide notice by electronic means, including text message, email, or an Association website, if the Board deems the notice to be fair and reasonable. An Owner may require the Association, by written demand, to provide notice to the Owner by mail. The Board is authorized to promulgate rules and procedures facilitating the implementation of this section as it deems fit from time to time, including requiring Owners to furnish the Association with a current email address.

2.1.2.2 If a Unit is jointly owned or the Unit has been sold under a land sale contract, notice shall be sent to a single address (physical or electronic), of which the secretary has been notified in writing by such parties. If no address has been given to the secretary in writing, then mailing to the Unit shall be sufficient.

2.2 Conducting Affairs, Electronic Means. Any transaction or action involving the business or affairs of the Association, including but not limited to voting and providing notice or records, may be conducted by electronic means. The Association may accept a vote, consent, written ballot, waiver, proxy appointment, or proxy appointment revocation as the act of the Owner if the Association, through the Board, does so in good faith and has no reason to believe it is not the act of the Owner. A writing may be delivered in an electronic medium or by electronic transmission, and may be signed by photographic, electronic, or other means. An electronic record or electronic signature is attributable to a person if it was the act of the person. An electronic signature may consist of a mark, symbol, character, letter, or number or any combination thereof attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record and the same shall be considered the signature of such person. A writing includes any document, record, vote, ballot, proxy, or instrument required or permitted to be transmitted by a Member or by the Association.

2.3 Utah HOA Registry. The Association shall register with the Utah Department of Commerce's Homeowner Associations Registry (currently at <https://secure.utah.gov/hoa/index.html>) and provide (1) the name and address of the Association, (2) the name, address, telephone number, and, if applicable, email address of the president, (3) the name and address of each Board member; and (4) the name, address, telephone number, and, if the contact person wishes to use email or facsimile transmission for communicating payoff information, the email address or facsimile number, as applicable, of a primary contact person who has Association payoff information that a closing

agent needs in connection with the closing of a Unit Owner's financing, refinancing, or sale of the Owner's Unit. The Association shall update the information stated in this Section with the Utah HOA Registry within 90 days after a change in any of the information.

ARTICLE 3 – ASSOCIATION MEETINGS, VOTING, QUORUM

3.1 Annual Meetings. Each regular annual meeting of the members shall be held each year on the day and at a time and place within the state of Utah as is designated in the notice of such meeting.

3.2 Special Meetings. The Association, by and through the Board, shall give notice of, hold and conduct a special meeting of the Owners: (1) on call of the Board, or (2) if the Association receives one (1) or more written demands for the meeting that state the purpose or purposes for which the meeting is to be held. Said written demands must be signed and dated by Owners holding at least twenty-five percent (25%) of the voting rights of the Association. When a special meeting is demanded by the Owners, the Board shall set the time and date for the meeting so that the meeting occurs within sixty-five (65) days of receipt of the demand and if notice of the meeting is not given by the Board within thirty (30) days after the date the written demand is delivered to an Association officer, a person signing the demand may set the time and place of the meeting and give notice pursuant to the requirements herein. Business transacted at a special meeting shall be confined to the purposes stated in the notice of the meeting.

3.3 Notice of Meetings. Written notice of each meeting of the Association shall be given by, or at the direction of, the secretary or person authorized to call the meeting, in a fair and reasonable manner, including by delivering a copy of such notice to each Owner entitled to vote thereat, in accordance with the notice requirements specified in these Bylaws, and sufficiently in advance of the meeting to provide fair and reasonable notice of the meeting, as determined by the Board. Notice shall always be deemed fair and reasonable if given ten (10) days before the meeting, but shorter notice may also be fair and reasonable when all the circumstances are considered. The notice shall specify the place, day and hour of the meeting, and must include a description of any matter that must be approved by the members and, in the case of a special meeting, the purpose of the meeting.

3.4 Voting. Each Unit shall be allocated such vote in the affairs of the Association equal to the Percentage Interest appertaining to such Unit.

3.5 Proxies, Absentee Ballots and Rights of Mortgagees.

3.5.1 Proxies. A vote may be cast in person or by proxy. A proxy given by an Owner to any person who represents the Owner at meetings of the Association shall be in writing, dated and signed by such Owner and shall be filed with the secretary in accordance with procedures adopted by the Board by resolution or as stated in the notice of the meeting. A proxy shall be valid for, and only for, the meeting (and any adjournment of the meeting) for which it was solicited, unless otherwise expressly stated in the proxy; however, no proxy may be valid for more than eleven (11) months after the date of execution. No proxy shall be valid if it purports to be revocable without notice. An Owner may not revoke a proxy given except by actual notice of revocation to the person presiding over a meeting or to the Board if a vote is being conducted by written ballot in lieu of a meeting. Every proxy shall automatically cease upon sale of the Unit.

3.5.2 Absentee Ballots. A vote may be cast by absentee ballot.

3.5.3 **Mortgagee Rights.** An Owner may pledge or assign the owner's voting rights to a Mortgagee. In such a case, the Mortgagee or its designated representative shall be entitled to receive all notices to which the owner is entitled hereunder and to exercise the owner's voting rights from and after the time that the Mortgagee shall have given written notice of the pledge or assignment to the Board. Any first (1st) Mortgagee may designate a representative to attend all or any meetings of the Association.

3.6 Quorum.

3.6.1 "Quorum" means the Owners holding the minimum number of Percentage Interests (when duly represented in person or by proxy at a meeting or casting a written ballot in an action by written ballot or consenting to an action without a meeting) necessary to make the proceedings valid.

3.6.2 At any regular annual meeting of the Association, the Owners that are represented for any purpose at the annual meeting shall constitute a quorum, except for matters requiring a higher quorum as provided in the Declaration or these Bylaws. (For example, amending the CC&Rs or these Bylaws). For any other meeting of the Association or action taken without a meeting, and except as otherwise provided in the Declaration or these Bylaws, Owners holding one-third (1/3) of the Percentage Interests, represented in person, by proxy, or by written ballot, shall constitute a quorum.

3.6.3 If any meeting of Owners cannot be organized because of a lack of quorum, the Owners who are present may adjourn the meeting to a time at least 48 hours from the time of the meeting at which a quorum was not present and Owners holding twenty percent (20%) of the voting rights, represented in person, by proxy, or by written ballot, shall constitute a quorum at such adjourned meeting.

3.6.4 When a quorum is once present to organize a meeting it cannot be broken by the subsequent withdrawal of an Owner or Owners.

3.7 **Binding Vote.** Action on a matter other than the election of directors is approved and shall be binding upon all Owners for all purposes if a quorum exists and the votes cast favoring the action exceed the votes cast opposing the action, unless a greater number of affirmative votes is required by the Governing Documents.

3.8 **Order of Business.** The order of business at annual meetings of the Association shall be according to the order established by the President, and by way of example, may include the following: (a) Calling of the roll and certifying of proxies; (b) Proof of notice of meeting or waiver of notice; (c) Reading of minutes of preceding meeting; (d) Reports of officers; (e) Reports of committees, if any; (f) Election of Board members; (g) Unfinished business; (h) New business; and (i) Adjournment.

3.9 **Meeting Procedure.** Rules of order may be adopted by resolution of the Board, otherwise, the President shall conduct meetings according to the procedure he or she deems fit and shall have absolute authority to fix the period of time allowed for the registration of Owners and the filing of proxies, to determine the order of business to be conducted at such meeting and to establish reasonable rules for expediting the business of the meeting (including any informal or question and answer portions thereof). A decision of the Association may not be challenged on the basis that appropriate rules of order were not used. All informalities or irregularities in calls or notices of

meetings and in the manner of voting, credentials, and methods of ascertaining those present shall be deemed waived by those present if no objection is made at the meeting. If objection is made, the Board shall hear and review the objection for an immediate or follow-up response, as the situation may require.

3.10 Election Inspectors. The Board, in advance of any meeting of the Owners, may appoint an election inspector or inspectors to act at such meeting (and at any adjournment thereof). If an election inspector or inspectors are not so appointed, the President may, or upon request of ten percent (10%) of the Owners entitled to vote at the meeting will, make such appointment. If any person appointed as an inspector fails to appear or to act, a substitute may be appointed by the President. If appointed, the election inspector or, inspectors (acting through a majority of them if there be more than one) will determine the Owners entitled to vote, the authenticity, validity and effect of proxies and the number of Owners represented at the meeting in person and by proxy; they will receive and count votes, ballots and consents and announce the results thereof, which announcement of results, as reflected in the minutes of the meeting, shall be conclusive evidence of such results for all purposes; they will hear and determine all challenges and questions pertaining to proxies and voting; and, in general, they will perform such acts as may be proper to conduct elections and voting with complete fairness to all Owners.

3.11 Action by Written Ballot in Lieu of a Meeting. Any action that may be taken at any annual, regular, or special meeting of Owners may be taken without a meeting if the Association causes to be delivered a written ballot to every Owner entitled to vote on the matter not less than fourteen (14) days prior to the date on which the ballots must be received by the Association in order to be counted. A written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written ballot pursuant to this section shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. All solicitations for votes by written ballot shall indicate the number of responses needed to meet the quorum requirements; state the percentage of approvals necessary to approve each matter other than election of directors; specify the time by which a ballot must be received by the Association in order to be counted; and be accompanied by written information sufficient to permit each person casting such ballot to reach an informed decision on the matter. In the event the action is for election of Board members, there shall be space on the ballot to write in nominations. Action taken under this section has the same effect as action taken at a meeting of Members and may be described as such in any document. The Board may elect to conduct a vote pursuant to this section by a secrecy procedure whereby a written ballot is accompanied by: (1) a secrecy envelope; (2) a return identification envelope to be signed by the owner; and (3) instructions for marking and returning the ballot. Written ballots that are returned in secrecy envelopes may not be examined or counted before the deadline for returning ballots has passed.

3.12 Action without Notice and a Meeting. Any action required to be taken or which may be taken at a meeting of Owners may be taken without a meeting and without prior notice if one or more consents in writing, setting forth the action so taken, are signed by Owners having not less than the minimum voting power that would be necessary to authorize or take the action at a meeting at which all Owners entitled to vote on the action were present and voted. All such writings must be received by the Association within a sixty (60) day period. Any such writing may be received by the Association by electronically transmitted facsimile or other form of communication providing the

Association with a complete copy thereof, including a copy of the signature thereto. Action taken pursuant to this section shall be effective when the last writing necessary to effect the action is received by the Association, unless the writings describing and consenting to the action set forth a different effective date.

3.13 Fiduciaries and Joint Owners. An executor, administrator, guardian, or trustee may vote in person or by proxy, at any meeting of the Association with respect to any Unit owned or held in such capacity, whether or not the same shall have been transferred to his or her name; provided, that the person shall satisfy the secretary that he or she is the executor, administrator, guardian, or trustee holding the Unit in such capacity. Whenever any Unit is owned by two (2) or more persons jointly, according to the records of the Association, the vote of the Unit may be exercised by any one (1) of the Owners then present, in the absence of protest by a co-owner. In the event of a protest, no one (1) co-owner shall be entitled to vote without the approval of all co-owners. In the event of disagreement among the co-owners, the vote of the Unit shall be disregarded completely in determining the proportion of votes given with respect to the matter.

ARTICLE 4 - BOARD MEMBERS – SELECTION, ELECTION, TERM OF OFFICE

4.1 Number, Term and Qualifications.

4.1.1 The affairs of the Association shall be governed by a Board composed of five (5) or seven (7) Board members. A majority of the Owners represented at the meeting may increase the number of Board members to seven (7) or decrease the number of Board members to five (5) at any Association annual meeting or special meeting of Owners, except that no decrease in number shall have the effect of shortening the term of any incumbent Board member.

4.1.2 Members of the Board shall serve for a term of two (2) years. The terms shall be staggered so all Board members are never elected in the same year.

4.1.3 A Board member must be an Owner or the spouse of an Owner of a Unit, except that a husband and wife may not serve on the Board at the same time. A representative of an entity which owns a Unit, and only one such representative, may serve on the Board, such that a shareholder of a corporation, a member of an LLC, a partner of a partnership, a trustee or beneficiary of a trust, or a personal representative of an estate, may serve on the Board if the corporation, LLC, partnership, trust or estate owns a Unit.

4.2 Nomination. Nomination for election to the Board shall be made in the manner determined by the Board, which may include a nominating committee, nominations from the floor at a meeting, or the requirement that nominations (including self-nominations) for positions on the Board be made by petition filed with the Secretary of the Association at least thirty (30) days prior to the annual meeting of the Association, which petition shall be signed by the nominee named therein indicating his or her willingness to serve as a member of the Board, if elected. The Board may, but shall not be obligated to, inquire of the Owners to identify those having an interest in serving on the Board. The Board or, if established, the nominating committee, shall make as many nominations for election as it shall in its discretion determine, but not less than the number of vacancies. Self-nominated candidates who qualify for election shall be permitted, provided they comply with any procedures for self-nomination stated herein or promulgated by the Association at least thirty (30) days before the applicable meeting.

4.3 Election. At the election, the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. Voting in an election shall be by written ballot. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

4.4 Vacancies. Vacancies on the Board, caused by any reason other than the removal of a Board member by a vote of the Association, shall be filled for the balance of the term by vote of a majority of the remaining Board members even though they may constitute less than a quorum. Each person so elected shall be a Board member until a successor is elected upon expiration of the term for which the person was elected by the other Board members to serve. The Board shall fill such a vacancy within the time period that the Board reasonably determines.

4.5 Removal of Board Members.

4.5.1 At any annual or special meeting, any one (1) or more of the Board members may be removed, with or without cause, by a majority of the total voting interests of the Members. A successor may be elected at that meeting to fill the vacancy thus created. The notice of the meeting must state that the removal is to be considered and any Board member whose removal has been proposed by the Owners may be given an opportunity to be heard at the meeting.

4.5.2 A Board member who is delinquent in the payment of an Assessment for longer than three (3) months, is absent from three (3) consecutive regular Board meetings, or is absent from more than twenty-five percent (25%) of the regular Board meetings held in any twelve (12) month period, shall be deemed to have tendered his or her resignation, and upon acceptance by the Board his or her position shall be vacant. The vacancy shall be filled as provided in Section 4.4 above.

4.6 Compensation. No Board member shall receive compensation for any service he or she may render to the Association as a Board member. However, any Board member may be reimbursed for actual expenses incurred in the performance of his or her duties. Nothing herein shall preclude a Board member from receiving compensation for any other service performed for the Association other than as a Board member or officer if all members of the Board vote in favor of such compensation.

ARTICLE 5 - MEETINGS OF THE BOARD

5.1 Organizational Meeting.

5.1.1 Location, Date and Time. The first meeting of a newly-elected Board shall be held at such place, date and time as shall be fixed by the Board members at the meeting at which the Board members were elected and no notice shall be necessary to owners or to the newly elected Board members in order to legally hold the meeting providing a majority of the elected Board members are present.

5.1.2 Until the election of new officers, those existing officers that continue to serve on the Board shall remain in their positions, and the organizational meeting shall be chaired by the president, or in the absence of such person, the vice president, or in the absence of such person, the secretary. At the organizational meeting, the Board shall elect officers in accordance with Section 7.2 below and may conduct any other Association business.

5.2 Regular Meetings. Regular meetings of the Board shall be held at such place and hour as may be fixed from time to time by the Board, and if so fixed, no notice thereof need be given. Should the meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday, or at another date and time agreed upon by the Board with notice to all members of the Board.

5.3 Special Meetings. Special meetings of the Board shall be held when called by the president of the Association, or by any two Board members, after not less than two days' notice to each Board member by mail, electronic mail, telephone, or facsimile, unless waived pursuant to 5.7 below. The notice must state the time, place, and purpose of the meeting.

5.4 Meeting Procedure. Unless other rules of order are adopted by resolution of the Board: (a) Meetings of the Board shall be conducted by the President; (b) A decision of the Board may not be challenged because the appropriate rules of order were not used; (c) A decision of the Board is deemed valid without regard to any procedural errors related to the rules of order unless the error appears on the face of a written instrument memorializing the decision.

5.5 Open Meetings; Executive Sessions.

5.5.1 Open Meetings. Except as provided in subsection 5.5.3, all meetings of the Board shall be open to Owners. At each meeting, the Board shall provide each Owner a reasonable opportunity to offer comments. The Board may limit the comments to one specific time period during the meeting. Beyond such comment period, no Owner shall have a right to participate in the Board meeting unless the Owner is also a member of the Board. The president or Board shall have the authority to exclude an Owner who disrupts the proceedings at a Board meeting. The Board may adopt policies governing meetings of the Board from time to time, including policies to reflect current Utah law (which Utah law may change more frequently than these Bylaws). If such Utah law supersedes any provision of these Bylaws, the policy adopted by the Board shall also supersede these Bylaws to the extent the policy restates then current Utah law. "Meeting" means a gathering of the Board, whether in person or by means of electronic communication in real time under Section 5.6, at which the Board can take binding action.

5.5.2 Notice of Board Meeting. At least forty-eight (48) hours before a Board meeting, the Association shall give written notice of the meeting via email to each Owner who requests notice of a Board meeting ("Meeting Notice"), unless notice of the meeting is included in a meeting schedule that was previously provided to the Owner, or the meeting is to address an emergency, and each Board member receives notice of the meeting less than forty-eight (48) hours before the meeting. A Meeting Notice shall: (1) be delivered to the Owner by email, to the email address that the Owner provides to the Association; (2) state the time and date of the meeting; (3) state the location of the meeting; and (4) if a Board member may participate by means of electronic communication under Section 5.6 below, provide the information necessary to allow the Owner to participate by the available means of electronic communication.

5.5.3 Executive Sessions. In the discretion of the Board, the Board may close a Board meeting and adjourn to executive session to: (a) consult with an attorney for the purpose of obtaining legal advice; (b) discuss ongoing or potential litigation, mediation, arbitration, or administrative proceedings; (c) discuss a personnel matter; (d) discuss a matter relating to contract negotiations, including review of a bid or proposal; (e) discuss a matter that involves an individual if

the discussion is likely to cause the individual undue embarrassment or violate the individual's reasonable expectation of privacy; or (f) discuss a delinquent assessment or fine.

5.5.4 Executive Session Procedure. Except in the case of an emergency, the Board shall vote in an open meeting whether to meet in executive session. If the Board votes to meet in executive session, the president or other presiding officer shall state the general nature of the action to be considered and, as precisely as possible, when and under what circumstances the deliberations can be disclosed to owners. The statement, motion or decision to meet in executive session must be included in the minutes of the meeting.

5.6 Meetings by Telephonic or Electronic Communication. In the event of an emergency, or by decision of the Board, meetings of the Board may be conducted by means of electronic communication that allows all members of the Board participating to be able to communicate orally in real time.

5.7 Action Taken by Board without a Meeting.

5.7.1 Notice, Response. The Board shall have the right to take any action in the absence of a meeting which they could take at a meeting if notice is transmitted in writing to each member of the Board and each member of the Board, by the time stated in the notice:

5.7.1.1 (1) signs a writing for such action; or (2) signs a writing against such action, abstains in writing from voting, or fails to respond or vote; and

5.7.1.2 fails to demand in writing that action not be taken without a meeting.

5.7.2 Content of Notice. The notice required by Subsection 5.7.1 (the "Notice") shall state: (1) the action to be taken; (2) the time by which a Board member must respond to the Notice; (3) that failure to respond by the time stated in the Notice will have the same effect as abstaining in writing by the time stated in the Notice, and failing to demand in writing by the time stated in the Notice that action not be taken without a meeting; and (4) any other matters the Association determines to include.

5.7.3 Approval of Action/Decision. Action is taken under this Section 5.7 only if, at the end of the time stated in the Notice:

5.7.3.1 The affirmative votes in writing for the action received by the Association equal or exceed the minimum number of votes that would be necessary to take such action at a meeting at which all of the Board members then in office were present and voted; and

5.7.3.2 The Association has not received a written demand by a Board member that the action not be taken without a meeting (other than a demand that has been revoked pursuant to Subsection 5.7.5).

5.7.4 Waiver of Meeting. A Board member's right to demand that action not be taken without a meeting shall be considered to have been waived unless the Association receives such demand from the Board member in writing by the time stated in the Notice.

5.7.5 Revocation. A Board member who in writing has voted, abstained, or demanded

action not be taken without a meeting may, in writing, revoke the vote, abstention, or demand at any time before the time stated in the Notice.

5.7.6 Electronic Transmission. A communication under this Article may be delivered by an electronic transmission. An electronic transmission communicating a vote, abstention, demand, or revocation is considered to be written, signed, and dated for purposes of this Article if the electronic transmission is delivered with information from which the Association can determine that the electronic transmission is transmitted by the person (e.g., from a sender's known email account), and the date on which the electronic transmission is transmitted. The date on which an electronic transmission is transmitted is considered the date on which the vote, abstention, demand, or revocation is signed. For purposes of this Section 5.7, communications to the Association are not effective until received.

5.8 Waiver of Notice. Any Board member may, at any time, waive notice of any meeting of the Board in writing, and the waiver shall be deemed equivalent to the giving of the notice. Attendance by a Board member at any meeting of the Board shall constitute a waiver of notice by the Board member, except where the Board member attends the meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. If all Board members are present at any meeting of the Board, no notice to Board members shall be required and any business may be transacted at the meeting.

5.9 Quorum and Acts. At all meetings of the Board, a majority of the existing Board members shall constitute a quorum for the transaction of business and the acts of the majority of the Board members present shall be the acts of the Board. If, at any meeting of the Board, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

5.10 Proxies at Board Meetings. For purposes of determining a quorum with respect to a particular proposal, and for purposes of casting a vote for or against a particular proposal, a Board member may be considered to be present at a meeting and to vote if the Board member has granted a signed written proxy: (1) to another Board member, or other person, who is present at the meeting; and (2) authorizing the other Board member or person to cast the vote that is directed to be cast by the written proxy with respect to the particular proposal that is described with reasonable specificity in the proxy (a directed proxy).

ARTICLE 6 - POWERS, RIGHTS, AND DUTIES OF THE BOARD

6.1 General Powers and Duties. The Board shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or the Governing Documents specifically directed to be exercised and done by, or upon the vote of, the Owners.

6.2 Best Interest of Association and Reliance on Information. A Board member or officer shall discharge the Board member or officer's duties (a) in good faith, (b) with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and (c) in a manner the Board member or officer reasonably believes to be in the best interests of the Association. The Board members shall, at all times, keep themselves reasonably informed and take such steps and necessary actions as a reasonable, prudent person would do to serve the best interest of the

Association.

In discharging duties, a Board member or officer is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by: (a) one or more officers or employees of the Association whom the Board member or officer reasonably believes to be reliable and competent in the matters presented, (b) legal counsel, a public accountant, or another person as to matters the Board member or officer reasonably believes are within the person's professional or expert competence, or (c) in the case of a Board member, a sub-committee of the Association or Board of which the Board member is not a member if the Board member reasonably believes the sub-committee merits confidence.

6.3 Conflicts of Interest.

6.3.1 A conflict of interest or conflicting interest transaction includes a contract, transaction, or other financial relationship between the Association and (1) a Board member, (2) a party related to a Board member, or (3) an entity in which a Board member is a director or officer or has a financial interest.

6.3.2 A Board member shall avoid conflicts of interest or conflicting interest transactions, unless: (1) the material facts as to the Board member's relationship or interest and as to the conflicting interest transaction are disclosed or are known to the Board, (2) the Board in good faith authorizes, approves, or ratifies the conflicting interest transaction by the affirmative vote of a majority of the disinterested Board members (even if the disinterested Board members are less than a quorum), and (3) the conflicting interest transaction is fair as to the Association.

ARTICLE 7 - OFFICERS AND THEIR DUTIES

7.1 Designation and Qualification.

7.1.1 Designation. The principal officers of the Association shall be a president, a vice-president, a secretary and a treasurer. The Board may designate the office of assistant treasurer and assistant secretary.

7.1.2 Qualifications. The principal officers must be Board members (and shall cease to be an officer upon ceasing to be on the Board). Any Board member may be an officer of the Association.

7.1.3 Multiple Offices. A person may simultaneously hold more than one office.

7.1.4 Special Appointments. The Board 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 may, from time to time, determine.

7.2 **Election and Vacancies.** The officers of the Association may be elected by the Board at the organizational meeting of each new Board or any Board meeting thereafter to serve until their respective successors are elected at the next organizational meeting. If any office becomes vacant by reason of death, resignation, removal, disqualification or any other cause, the Board shall elect a successor to fill the unexpired term.

7.3 **Resignation.** Any officer may resign at any time by giving written notice to the Board, the

president or the secretary. The resignation shall take effect on the date of receipt of the notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of the resignation shall not be necessary to make it effective.

7.4 Removal of Officers. Officers shall hold office at the pleasure of the Board. Upon an affirmative vote of a majority of the members of the Board any officer may be removed, either with or without cause.

7.5 Compensation of Officers. No officer who is a member of the Board may receive any compensation from the Association for acting as an officer, unless the compensation is authorized by a vote of the Owners. The Board may fix any compensation to be paid to any officers who are not also Board members.

7.6 Duties of Officers. Officers shall have such duties prescribed with respect to the office by the Declaration, Bylaws, and by the Board, to the extent not inconsistent with these Bylaws or the Declaration. The Board may delegate any powers or duties of officers to other persons or agents as the Board deems necessary or appropriate from time to time. Any principal officer may prepare, execute, certify, and record amendments to the Declaration on behalf of the Association in accordance with the amendment provisions of the Declaration. The general duties of the officers are as follows:

7.6.1 President. The president shall be the chief executive officer of the Association. He or she shall preside at all meetings of the Association and of the Board. The president shall have all of the general powers and duties which are usually vested in the office of president of an association. The president shall have the authority to sign all leases, mortgages, deeds and other written instruments, including amendments to the Governing Documents.

7.6.2 Vice-President. The vice-president shall act in the place and stead of the president in the event of the president's absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required by the Board. The Vice-President shall likewise have the authority to sign all leases, mortgages, deeds and other written instruments.

7.6.3 Secretary. The secretary shall prepare and maintain the minutes of all meetings of the Board and the minutes of all meetings of the Association, have charge of such books, papers and records as the Board may direct, shall have the responsibility for preparation and maintenance other records and information required to be kept by the Association under the Act and under Section 16-6a-1601 of the Utah Revised Nonprofit Corporation Act; and for authenticating records of the nonprofit corporation, and in general, shall perform all of the duties incident to the office of secretary,

7.6.4 Treasurer. The treasurer shall have responsibility for the Association's funds and securities not otherwise held by a managing agent, and shall be responsible for causing full and accurate accounts of all receipts and disbursements to be kept in books belonging to the Association. The treasurer shall be responsible for causing the deposit of all monies and other valuable effects in the name and to the credit of the Association in such depositories as may, from time to time, be designated by the Board and disbursing funds as directed by resolution of the Board.

ARTICLE 8 - INDEMNIFICATION OF OFFICERS AND BOARD MEMBERS

Members of the Board, the officers and any agents and employees of the 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 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 Project, which might in any way be assessed against or imputed to them as a result or by virtue of their capacity as such.

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

Beyond (but subject to) the foregoing provisions of this Article, each officer and Board member of the Association, in consideration of his or her services, shall be indemnified by the Association to the extent permitted by the Utah Revised Nonprofit Corporation Act (regardless of the Association's corporate status or lack thereof) against expenses and liabilities reasonably incurred by him or her in connection with the defense of any actual or threatened action, suit or proceeding, civil or criminal, to which he or she may be a party by reason of being or having been a Board member or officer of the Association. The foregoing right to indemnification shall not be exclusive of any other rights to which the Board member or officer or person may be entitled by law or agreement or vote of the members or otherwise.

ARTICLE 9 - RECORDS AND AUDITS

The Association shall maintain within the State of Utah, all documents, information and other records of the Association in accordance with the Declaration, these Bylaws and the Utah Revised Nonprofit Corporation Act in the manner as may be prescribed by a resolution adopted by the Board.

9.1 General Records.

9.1.1 Permanent Records. The Association shall keep (or cause to be kept) as permanent records: (1) The Declaration, Bylaws, Articles of Incorporation, (2) minutes of all meetings of the Association and of the Board; (3) a record of all actions taken by the Association members or the Board without a meeting; (4) a record of all actions taken by a committee of the Board in place of the Board on behalf of the Association; and (5) a record of all waivers of notices of meetings of members and of the Board or any committee of the Board.

9.1.2 Resolutions and Rules. The Association shall maintain (1) a record of the rules,

regulations, and policies adopted by the Association, (2) appropriate accounting records, and (3) a record of its members in a form that permits preparation of a list of the name and address of all members in alphabetical order.

9.1.3 Assessment Roll. The assessment roll shall be maintained in a set of accounting books in which there shall be an account for each Unit. The account shall designate the Unit number, the name and address of the Owner or Owners, the amount of each Assessment against the Owners, the dates and amounts in which the Assessment comes due, the amounts paid upon the account, and the balance due on the Assessments.

9.1.4 Records at Principal Office. The Association shall keep a copy of each of the following records at its principal office (copies of such records kept electronically by an Association officer or manager shall satisfy this requirement regardless of where located as long as such electronic records are capable of being transmitted to, or viewed by, others, such as via email from an electronic storage medium or via website): (1) all Governing Documents; (2) the minutes of all Owners' meetings for a period of three (3) years; (3) records of all action taken by Owners without a meeting, for a period of three (3) years; (4) all written communications to Owners generally as Owners for a period of three (3) years; (5) a list of the names and business or home addresses of the current Board members and officers; (6) a copy of its most recent annual report (annual renewal) delivered to the Division of Corporations under Utah Code Section 16-6a-1607; and (7) all financial statements prepared for periods ending during the last three (3) years that show in reasonable detail the assets and liabilities and results of the operations of the Association.

9.1.5 Form of Records. The Association shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time. "Written form" does not mean paper form. The Association may maintain any of its records by retaining an electronic record of the information in the record that: (1) accurately reflects the information set forth in the record after it was first generated in its final form as an electronic record or otherwise, and (2) remains accessible for later reference.

9.2 Financial Reports and Audits. Within ninety (90) days after the end of each fiscal year and upon written request by an Owner or mortgagee of a Unit, an annual report of the receipts and expenditures of the Association and a balance sheet showing assets and liabilities shall be rendered by the Board to the person(s) making the request. From time to time, the Board, at the expense of the Association, may obtain an audit by a certified public accountant or other financial review of the books and records pertaining to the Association and furnish copies thereof to the Owners and mortgagees of Units.

9.3 Inspection of Records by Owners

9.3.1 Inspection of Records Kept at Principal Office. If an Owner gives the Association written request at least five (5) business days before the date on which the Owner wishes to inspect and copy, or electronically receive, the records, an Owner is entitled to either (1) inspect and copy during regular business hours at the Association's principal office, or (2) receive electronically any of the records in Section 9.1.4 above.

9.3.2 **Inspection of Other Records - Proper Purpose Required.** An Owner may inspect and copy any of the other official records of the Association during regular business hours at a reasonable location specified by the Association only if a written request is made five (5) days before the date of inspection and: (1) the request is made in good faith and for a proper purpose; (2) the Owner describes with reasonable particularity the purpose and the records the Owner desires to inspect; and (3) the records are directly connected with the described purpose.

9.3.3 The Board, by resolution, may adopt reasonable rules governing the frequency, time, location, notice and manner of examination and duplication of Association records and the imposition of a reasonable fee for furnishing copies of any documents, information or records described in this Article, consistent with the Act. The fee may include reasonable personnel costs incurred to furnish the information, consistent with the Act, except the Association may not require an Owner to pay a fee for production of the records in Section 9.1.4, except for copying costs.

9.4 **Redaction; Records Not Subject to Inspection.** The Association may redact a Social Security number, a bank account number, and any communication subject to attorney-client privilege from any document the Association produces for inspection or copying. The Board may withhold from inspection or copying any records: (i) considered by the Board in executive session and the minutes of any executive session, or (ii) that in its reasonable business judgment would constitute an unwarranted invasion of privacy (including, if so determined by the Board, a list of phone numbers or email addresses of Owners) or involve pending or anticipated litigation or contract negotiations.

ARTICLE 10 - AMENDMENTS

The approval of Owners holding at least sixty percent (60%) of the Percentage Interests shall be required for any amendment or change to the Bylaws. An amendment shall not be effective until certified by the president of the Association as being adopted in accordance with these Bylaws, acknowledged, and recorded with the County Recorder's Office.

ARTICLE 11 - MISCELLANEOUS

11.1 **Waiver, Precedent and Estoppel.** No restriction, condition, obligation, or provision contained in these Bylaws or rules and regulations adopted pursuant hereto shall be deemed to have been abrogated or waived by the Association by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur and any failure to enforce the same shall not be deemed to constitute precedent or estoppel impairing the right of the Association as to any similar matter.

11.2 **Invalidity; Number; Captions.** The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability, or effect of the balance of these Bylaws. As used herein, the singular shall include the plural and the plural the singular. The masculine and neuter shall each include the masculine, feminine, and neuter, as the context requires. All captions used herein are intended solely for convenience of reference and shall in no way limit any of the provisions of these Bylaws.

11.3 **Fiscal Year.** The fiscal year of the Association shall be determined by the Board in its discretion.

11.4 Conflicts. 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 Declaration and these Bylaws, the Declaration shall control.

IN WITNESS WHEREOF, the Association has caused these Bylaws to be executed by its duly authorized officer on this 5th day of DECEMBER, 2016.

(Sign): 
(Print Name): C. David Richards President