

17256

ENABLING DECLARATION

OF

LaVILLA TOWNHOUSE

THIS DECLARATION is made and executed this ^{31st} day of Oct., 1972, by S.J.M. Properties, Inc. (hereinafter referred to as "Declarant"), pursuant to the provisions of the Utah Condominium Ownership Act (Sections 57-8-1 through 57-8-35, Utah Code Annotated (1953)).

RECITALS:

A. Declarant is the owner of those certain Parcels of real property more particularly described in Article II hereof.

B. Declarant has constructed, or is in the process of constructing, upon said Parcel a Condominium Project, including certain Units and other improvements.

C. Declarant desires, by filing this Declaration, to submit said Parcels and all improvements now or hereafter constructed thereon to the provisions of the Act as a Condominium Project to be known as the LaVilla Townhouse Condominium Project."

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

NOW, THEREFORE, for the foregoing purposes, Declarant hereby makes the following Declaration:

I. DEFINITIONS

When used in this Declaration (including in that portion hereof headed "Recitals") the following terms shall have the meaning indicated. Any term used herein which is defined by the Act shall, to the extent permitted by the context hereof, have the meaning ascribed by the Act.

BOOK 1300 PAGE 51

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BOOK 1300 PAGE 51

1. Act shall mean and refer to the Utan Condominium Ownership Act (Sections 57-8-1 through 57-8-35, Utah Code Annotated (1953)).

2. Declaration shall mean and refer to this Enabling Declaration.

3. Record of Survey Map and Survey Map shall mean and refer to the Record of Survey filed herewith, dated the 30 of Oct 1972, consisting of and Civil prepared and certified by a duly registered Utah ~~Land~~ ENGINEER, Glenn A. Wright.

4. Management Committee and Committee shall mean and refer to the Management Committee of the LaVILLA Townhouse Condominium Project.

5. Common Areas and Facilities shall mean, refer to, and include:

(a) The real property and interests in real property which this Declaration submits to the terms of the Act.

(b) All Common Areas and Facilities designated as such in the Survey Map.

(c) All portions of the Project not specifically included within the individual Units, such as patios and common fences.

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

6. Unit shall mean and refer to one of the home Units which is designated as a Unit on the Record of Survey Map and in Exhibit A attached hereto (and incorporated herein by this reference). Unless a wall on the perimeter of a Unit separates and is common to two or more Units, such perimeter wall shall constitute a part of the Unit to which it relates. A wall on the perimeter of a Unit which separates such Unit from, and is common to, another Unit shall, from and including the surface of such wall to its center, constitute a part of the Unit to which it relates. A unit shall include any walls, partitions, and floors which are wholly contained within its vertical and horizontal perimeters and the surfaces of any floors, ceilings, or coverings which bound it. A Unit shall not include pipes, wires, conduits, or other utility lines running through it which are utilized for or which serve more than one Unit.

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(b) All Common Areas and Facilities designated as such in the Survey Map.

(c) All portions of the Project not specifically included within the individual Units, such as patios and common fences.

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

6. Unit shall mean and refer to one of the home Units which is designated as a Unit on the Record of Survey Map and in Exhibit A attached hereto (and incorporated herein by this reference). Unless a wall on the perimeter of a Unit separates and is common to two or more Units, such perimeter wall shall constitute a part of the Unit to which it relates. A wall on the perimeter of a Unit which separates such Unit from, and is common to, another Unit shall, from and including the surface of such wall to its center, constitute a part of the Unit to which it relates. A unit shall include any walls, partitions, and floors which are wholly contained within its vertical and horizontal perimeters and the surfaces of any floors, ceilings, or coverings which bound it. A Unit shall not include pipes, wires, conduits, or other utility lines running through it which are utilized for or which serve more than one Unit.

7. Unit Number shall mean and refer to the number, letter, or combination thereof which designates a Unit in the Record of Survey Map.

8. Unit Owner or Owner shall mean and refer to the owner of the fee in a Unit and the percentage of undivided interest in the Common Areas and Facilities which is appurtenant thereto. The Declarant shall be deemed the owner of all unconstructed or unsold Units. In the event a Unit is the subject of an executory contract of sale, the contract purchaser shall, unless the seller and the purchaser have otherwise agreed and have informed the Committee in writing of such agreement, be considered the Unit Owner for purposes of voting and Committee membership.

9. Common Expenses shall mean and refer to all sums which are expended on behalf of all the Unit Owners and all sums which are required by the Management Committee to perform or exercise its functions, duties, or rights under the Act, this Declaration, the Management Agreement for operation of the Project, and such rules and regulations as the Management Committee may from time to time make and adopt. It is contemplated that all water used on or in connection with any individual home Units, shall be deemed a part of the common expenses for which the home Unit owners shall be liable in the proportion of their undivided interests in the Common Areas and Facilities.

10. Parcel shall mean and refer to the real property which Article II of this Declaration submits to the terms of the Act.

11. Condominium Project or Project shall mean and refer to the LaVille Townhouse Condominium Project.

II. SUBMISSION

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

project ALL MULTIPLE LOTS, LaVille Townhouse ^{Condominium} ~~Planned~~ Dwelling Group, according to the official plat thereof on file and of record in the Office at the Recorder of Utah County, State of Utah.

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

project ALL MULTIPLE LOTS, LaVillie Townhouse ^{Condominium} ~~Planned~~ Dwelling Group, according to the official plat thereof on file and of record in the Office at the Recorder of Utah County, State of Utah.

RESERVED FROM THE FOREGOING SUBMISSION are such easements and rights of ingress and egress over, across, through, and under the above-described Parcel and any improvements now or hereafter constructed thereon.

THE ABOVE-DESCRIBED PARCEL IS SUBJECT TO all visible easements and rights-of-way and all easements and rights-of-way of record.

III. COVENANTS, CONDITIONS AND RESTRICTIONS

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

1. Description of Improvements. The improvements included in the Condominium Project are now or will be located upon the Parcel described above, and all of such improvements are described in the Survey Map. The Survey Map shows the number of stories, and the number of Units which are to be contained in the buildings which compose a part of such improvements. The buildings shall be principally constructed of the following materials: Wooden frames with both load-bearing and non bearing walls studded with wood; Lower floors composed of concrete; Second floors composed of wooden joists covered with plywood; Wooden truss joist roofs covered with plywood; Roofs surfaced with wooden shingles; Interior walls surfaced with dry wall; Stucco or wood veneer exterior.

2. Description and Legal Status of Units. The Record of Survey Map shows the Unit Number of each Unit, its location, and dimensions from which its area may be determined, and Facilities to which it has immediate access. All Units shall be capable of being independently owned, encumbered, and conveyed.

3. Contents of Exhibit A. Exhibit A to this Declaration furnishes the following information with respect to each Unit: (a) The Unit Number; (b) Its area; (c) The number of rooms (for home Units); (d) The Unit's appurtenant percentage of undivided ownership interest in the Common Areas and Facilities.

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3. Contents of Exhibit A. Exhibit A to this Declaration furnishes the following information with respect to each Unit: (a) The Unit Number; (b) Its area; (c) The number of rooms (for home Units); (d) The Unit's appurtenant percentage of undivided ownership interest in the Common Areas and Facilities.

4. Common and Limited Common Areas and Facilities. The Common Areas and Facilities contained in the Project are described and identified in Article I of this Declaration. The percentage of undivided interest in the Common Areas and Facilities shall not be separated from the Unit to which it appertains; and, even though not specifically mentioned in the instrument of transfer, such percentage of undivided interest and such right of exclusive use shall automatically accompany the transfer of the Unit to which they relate.

5. Computation of Undivided Interest. The percentages of undivided interest in the Common Areas and Facilities which are appurtenant to the various Units, is equal to 1/8 or 12 1/2% of the total Common Area.

6. Permissible Use of Units and Common Areas. The Units contained in the Project are intended to be used for single family residential housing and are restricted to such use. No Unit shall be used, occupied, or altered in violation of Law, so as to detract from the appearance or value of any other Unit, so as to create a nuisance or interfere with the rights of any Unit Owner, or in a way which would result in an increase in the cost of any insurance covering the Project as a whole. The Common Areas and Facilities shall be used only in a manner consistent with their community nature. No animals other than small household pets shall be kept or allowed in any Unit or in any part of the Common Areas and Facilities.

7. Condition and Maintenance of Units. Each Unit shall be maintained so as not to detract from the appearance of the Project and so as not to affect adversely the value or use of any other Unit.

8. Acceptability of Tenants for Lease of Home Units. Owner of a home Unit plans to allow someone other than a member of his immediate family to occupy his Unit, such owner shall, at least ten days prior to the proposed date of occupancy, give the Committee written notice of the name of the intended occupant. At any time within three days after its receipt of the notice the Committee may disapprove of the proposed occupant. If the Committee does so, the Owner concerned shall not permit the planned occupancy unless the Committee's decision is reversed by the vote of at least 51% of the Project's undivided ownership interests. In the event the Unit Owner wishes to seek such a vote, he shall so notify the Committee and it shall call a special meeting of all Unit Owners. The meeting shall be held as soon as reasonably possible after the Unit Owner requests it.

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9. Status and General Authority of Committee.
The Condominium Project shall be managed, operated, and maintained by the Management Committee as agent for the Unit Owners. The Committee shall, in connection with its exercise of any of the powers delineated in subparagraphs (a) through (f) below, constitute a legal entity capable of dealing in its Committee name. The Management Committee shall have, and is hereby granted, the following authority and powers:

- (a) The authority, without the vote or consent of the Unit Owners or of any other person(s), to grant or create, on such terms as it deems advisable, utility and similar easements over, under, across, and through the Common Areas and Facilities.
- (b) The authority to execute and record, on behalf of all the Unit Owners, any amendment to the Declaration or Record of Survey Map which has been approved by the vote or consent necessary to authorize such amendment.
- (c) The power to sue and be sued.
- (d) The authority to enter into contracts which in any way concern the Project, so long as any vote or consent of the Unit Owners necessitated by the subject matter of the agreement has been obtained.
- (e) The authority to promulgate such reasonable rules, regulations, and procedures as may be necessary or desirable to aid the Committee in carrying out any of its functions or to insure that the Project is maintained and used in a manner consistent with the interests of the Unit Owners.
- (f) The power and authority to create any other acts and to enter into any other transactions which may be reasonably necessary for the Management Committee to perform its functions as agent for the Unit Owners.

Any instrument executed by the Management Committee that recites facts which, if true, would establish the Committee's power and authority to accomplish through such instrument what is purported to be accomplished thereby, shall conclusively establish said power and authority in favor of any person who in good faith and for value relies upon said instrument.

10. Manager. The Committee may carry out any of its functions which are capable of delegation through a Project Manager. Inasmuch as this particular

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10. Manager. The Committee may carry out any of its functions which are capable of delegation through a Project Manager. Inasmuch as this particular

condominium project is composed of 8 Units, only a Project Manager will be used in lieu of a committee. The term "Committee" is hereinafter also referring to Project Manager. The Manager so engaged shall be responsible for managing the Project for the benefit of the Unit Owners and shall, to the extent permitted by Law and the terms of the agreement with the Committee, be authorized to perform any of the functions or acts required or permitted to be performed by the Management Committee itself.

11. Manager Chosen by Declarant. The Management Committee shall initially be comprised of the Project Manager and the Declarant until such a time as the latter has sold and conveyed or otherwise disposed of all the units or lots in the LaVILLA Townhouse Condominium Project at which time the Committee will be comprised only of the Project Manager as heretofore described.

The Manager shall serve in his capacity for 1 year from time of appointment at which time the "Association", comprised of all of the Unit Home Owners shall choose to elect a new manager or re-elect the existing individual.

12. Owners Meetings. The regular meeting of the Unit Owners shall be held at 7:00 p.m. on the second Tuesday in September 1972, and on the second Tuesday in April of each succeeding year. Whenever such day is a legal holiday, the meeting shall occur on the first business day thereafter. The place of meeting shall be at a location in Utah County, State of Utah, specified in the notice of meeting. At least ten days before the date of the regular meeting a written notice thereof shall be personally delivered or mailed, postage prepaid, to each Unit Owner at his last known address. Such notice shall state the time, place, and general purpose of the meeting.

Special meetings of the Owners may be called by the Project Manager or by a majority of the Unit Owners in the Project. At least seven days before the date set for a special meeting written notice such as that described in the immediately preceding paragraph shall be personally delivered or mailed, postage prepaid, to each Unit Owner at his last known address.

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No notice of any Owners meeting shall be required if a waiver of such notice is signed by all of the Owners. Whenever all the Owners meet in person or by proxy such meeting shall be valid for all purposes. A quorum for the transaction of business at an Owners meeting shall consist of a majority of all the undivided ownership interest in the Project. In the event a quorum is not present at an Owners meeting, whether regular or special, the meeting may be adjourned and re-scheduled for a time no earlier than 48 hours, and no later than thirty days, after the time set for the original meeting. No notice of such re-scheduled meeting shall be required.

13. Capital Improvements. Additions or capital improvements to the Project which cost no more than \$500.00 may be authorized by the Project Manager, alone. Additions or capital improvements the cost of which will exceed such amount must, prior to being constructed, be authorized by at least a majority of the undivided ownership interest in the Project. Any addition or capital improvement which would materially alter the nature of the Project must, regardless of its cost and prior to being constructed, be authorized by at least 75% of the Project's undivided ownership interest.

14. Operation and Maintenance. Each Home Unit will be provided with all the utility services except telephone, electricity and gas required by it. The Committee shall provide for such maintenance and operation of the Common Areas and Facilities as may be reasonably necessary to keep them clean, functional, attractive, and generally in good condition and repair. The Committee shall have no obligation regarding maintenance or care of the interior of home Units, but shall maintain all car stalls and carports and the exteriors of all buildings.

15. Payment of Expenses. Before the end of each calendar year the Manager shall prepare a budget which sets forth an itemization of the Common Expenses which are anticipated for the coming year. Such budget shall take into account any deficit or surplus realized during the current year. The budget shall be outlined by the Manager and approved by the Unit Owners. Prior to the first day of each month during the year covered by the budget each Unit Owner shall pay to the Manager as his share of the Common Expenses one-eighth of the amount of expenses as approved. If such monthly payments are too large or too small as a result of unanticipated income or expenses, the Manager may effect an equitable change

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in the amount of said payments by at least a 75% vote in favor by the Unit Owners. The date and manner of payment shall be determined in the same manner. The foregoing method of assessing the Common Expenses to the Unit Owners may be altered by the Manager so long as the method it adopts is consistent with good accounting practices consistently applied and requires that the portion of Common Expenses borne by each Owner during a 12-month period be determined on the basis of his undivided ownership interest.

16. Remedies for Nonpayment. Should any Unit Owner fail to pay when due his share of the Common Expenses, the Manager, together with the balance of the Unit Owners, may enforce any remedy provided in the Act or otherwise available for collection of delinquent Common Expense assessments. Regardless of the terms of any agreement to which the Manager is not a party, liability for the payment of Common Expense assessments shall be joint and several, and any remedy for the collection of such assessments may be enforced against any person holding an ownership interest in the Unit concerned, against the interest which is held by him, against either or both the seller or purchaser under an executory contract of sale covering the Unit concerned, against the interest in the Unit which are held by any such seller or purchaser, and against any combination or all of such persons and interests. Any relief obtained, whether or not through foreclosure proceeding, shall include the Committee's costs and expenses and a reasonable attorney's fee.

In the event of foreclosure, after the institution of the action the Unit Owner shall pay a reasonable rental for his use of the Unit and the Committee shall, without regard to the value of the Unit, be entitled to the appointment of a receiver to collect any rentals due from the Owner or any other person.

17. Insurance. The Manager, under direction of the Unit Owners, shall secure and at all times maintain the following insurance coverages:

(i) A policy or policies of fire and casualty insurance, with extended coverage endorsement, for the full insurable replacement value of the entire Project. Such policy or policies shall be made payable to the Committee and all persons holding an interest in the Project or any of the Units, as their interests may appear.

(ii) A policy or policies insuring the Manager and the Unit Owners against any liability incident to the Ownership, use,

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17. Insurance. The Manager, under direction of the Unit Owners, shall secure and at all times maintain the following insurance coverages:

(i) A policy or policies of fire and casualty insurance, with extended coverage endorsement, for the full insurable replacement value of the entire Project. Such policy or policies shall be made payable to the Committee and all persons holding an interest in the Project or any of the Units, as their interests may appear.

(ii) A policy or policies insuring the Manager and the Unit Owners against any liability incident to the Ownership, use,

or operation of the Project or of any Unit which may arise among themselves, to the public, and to any invitees or tenants of the Project or of the Unit Owners. Limits of liability under such insurance shall be not less than \$100,000.00 for any one person injured, \$100,000.00 for all persons injured in any one accident, and \$50,000.00 for property damage resulting from one occurrence. Such policies shall be issued on a comprehensive liability basis and shall provide a cross liability endorsement pursuant to which the rights of the named insureds as between themselves are not prejudiced.

The following additional provisions shall apply with respect to insurance:

- (a) In addition to the insurance described above, the Committee shall secure and at all times maintain insurance against such risks as are or hereafter may be customarily insured against in connection with condominium projects similar to the Project in construction, nature and use.
- (b) All policies shall be written by a company holding a rating of "AA" or better from Best's Insurance Reports.
- (c) Insurance secured and maintained by the Committee shall not be brought into contribution with insurance held by the individual Unit Owners or their mortgagees.
- (d) Each policy of insurance obtained by the Committee shall, if possible, provide: A waiver of the insurer's subrogation rights with respect to the Committee, the Manager, the Unit Owners, and their respective servants, agents, and guests; That it cannot be cancelled, suspended, or invalidated due to the conduct of any particular Unit Owner or Owners; That it cannot be cancelled, suspended, or invalidated due to the conduct of the Manager or of any member, officer, or employee of the Committee without a prior written demand that the defect be cured; That any "no other insurance" clause therein shall not apply with respect to insurance held individually by the Unit Owners.

or operation of the Project or of any Unit which may arise among themselves, to the public; and to any invitees or tenants of the Project or of the Unit Owners. Limits of liability under such insurance shall be not less than \$100,000.00 for any one person injured, \$100,000.00 for all persons injured in any one accident, and \$50,000.00 for property damage resulting from one occurrence. Such policies shall be issued on a comprehensive liability basis and shall provide a cross liability endorsement pursuant to which the rights of the named insureds as between themselves are not prejudiced.

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(b) All policies shall be written by a company holding a rating of "AA" or better from Best's Insurance Reports.

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

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

(e) Any Unit Owner or tenants of any Unit Owner may obtain additional insurance coverage on items of personal property, furniture, furnishings and fixtures owned and kept by him in a Unit, and each such owner and/or tenant is encouraged to do so at his own expense, so long as such additional insurance does not have the effect of decreasing the amount which may be realized under any policy maintained by the Committee.

18. Damage to Project. In the event of damage to or destruction of part or all of the improvements in the Condominium Project, the following procedures shall apply.

(a) If proceeds of the insurance maintained by the Management are alone sufficient to repair or reconstruct the damaged or destroyed improvement, such repair or reconstruction shall be carried out.

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

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

Any reconstruction or repair which is required to be carried out by this Paragraph 22 shall be accomplished at the instance and direction of the Management. Any determination which is required to be made by this Paragraph 22 regarding the extent of damage to or des-

(e) Any Unit Owner or tenants of any Unit Owner may obtain additional insurance coverage on items of personal property, furniture, furnishings and fixtures owned and kept by him in a Unit, and each such owner and/or tenant is encouraged to do so at his own expense, so long as such additional insurance does not have the effect of decreasing the amount which may be realized under any policy maintained by the Committee.

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(a) If proceeds of the insurance maintained by the Management are alone sufficient to repair or reconstruct the damaged or destroyed improvement, such repair or reconstruction shall be carried out.

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

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BOOK 1300 PAGE 61

truction or Project improvements shall be made as follows: The Project Manager shall select three MAI appraisers; each appraiser shall independently arrive at a figure representing the percentage of Project improvements which have been destroyed or substantially damaged; the percentage which governs the application of the provisions of this Paragraph 22 shall be the average of the two closest appraisal figures.

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

20. Amendment. Except as provided below, the vote of at least 62.5% (5 Unit Owners) of the undivided ownership interest in the Common Areas and Facilities shall be required to amend this Declaration or the Record or Survey Map. Any amendment so authorized shall be accomplished through the recordation of an instrument executed by the Management Committee. In such instrument the Committee shall certify that the vote required by this Paragraph for amendment has occurred. The foregoing right of amendment shall be subject to the following.

Until Units representing 75% of the undivided ownership interest in the Project have been sold, Declarant shall have, and is hereby vested with, the right to amend this Declaration or the Record of Survey Map. Such right shall obtain without regard to the subject matter of amendment, so long as the amendment involved is consistent with law.

21. Effect of Invalidity. The invalidity or unenforceability of any portion of this Declaration shall not affect the validity or enforceability of the remainder hereof.

22. Interpretation. To the extent the provisions of the Act are consistent with this Declaration, such provisions shall supplement the terms hereof and are incorporated herein. This Declaration shall be liberally construed to effect its purpose. The captions

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22. Interpretation. To the extent the provisions of the Act are consistent with this Declaration, such provisions shall supplement the terms hereof and are incorporated herein. This Declaration shall be liberally construed to effect its purpose. The captions

which precede the Paragraphs of this Declaration are for convenience only and shall in no way affect the manner in which any provision hereof is construed.

23. Covenants to Run with Land; Compliance. This Declaration and all the provisions hereof shall constitute covenants to run with the land or equitable, servitudes, as the case may be and shall be binding upon and shall insure to the benefit of Declarant, all parties who hereafter acquire any interest in a Unit or in the Project, and their respective grantees, transferees, heirs, devisees, personal representative, successors, and assigns. Each Owner or occupant of a Unit shall comply with, and all interests in all Units shall be subject to, the terms of the Act, the terms of this Declaration, and the provisions of any rules, regulations, agreements, instruments, and determinations contemplated by this Declaration. By acquiring any interest in a Unit or in the Project, the party acquiring such interest consents to, and agrees to be bound by, each and every provision of this Declaration.

24. Property Descriptions. Whereas, Declarant is the owner of the following real property situated in Orem, Utah County, State of Utah, to-wit:

LOT I Commencing at the Northwest corner of Lot 10, Plot 2, Canyon Road Tract, Orem, Utah, according to the official plat thereof on file in the office of the Recorder, Utah County, Utah; thence North $88^{\circ} 46'$ East 136 feet; thence South $1^{\circ} 14'$ East 102 feet; thence South $88^{\circ} 46'$ West 58 feet; thence ^{N. $1^{\circ} 14'$ W - 30.0 feet} ~~thence~~ North $1^{\circ} 14'$ West 72 feet to the place ^{thence S. $88^{\circ} 46'$ W 78.0 feet} of beginning.

LOT II Commencing 72 feet South $1^{\circ} 14'$ East from the Northwest corner of Lot 10, Plat 2, Canyon Road Tract, Orem, Utah, according to the official plat thereof on file in the office of the Recorder, Utah County, Utah; thence North $88^{\circ} 46'$ East 78 feet; thence South $1^{\circ} 14'$ East 30 feet; thence North $88^{\circ} 46'$ East 58 feet; thence South $1^{\circ} 14'$ East 65 feet; thence South $88^{\circ} 46'$ West 136 feet; thence North $1^{\circ} 14'$ West 95 feet to the place of beginning.

BOOK 1300 PAGE 63

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BY T. Michael Crockett

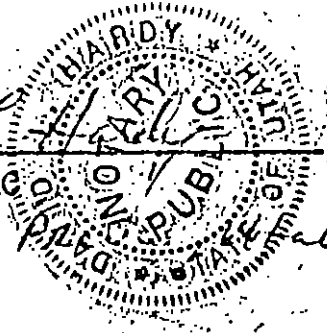
ATTEST:

O. J. Case
Secretary

STATE OF UTAH)
 : SS
COUNTY OF UTAH)

On the 31 day of Oct, 1972, personally appeared before me T. Michael Crockett, who being by me duly sworn, did say, that he is the President of S.J.M. PROPERTIES INC., and that said instrument was signed in behalf of said corporation by authority of its by-laws or by resolution of its Board of Directors, and said _____ acknowledged to me that said corporation executed the same.

David L. Hardy
NOTARY PUBLIC
Residing at: [Signature]



My Commission Expires:

18 Nov. 1975

BOOK 1300 PAGE 64

BY T. Michael Crockett

ATTEST:

O. Jay Case
Secretary

STATE OF UTAH)
 : SS
COUNTY OF UTAH)

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David L. Hardy
NOTARY PUBLIC
Residing at: Paria, Utah



My Commission Expires:

18 Nov. 1975.

BOOK 1300 PAGE 64

ARTICLES OF INCORPORATION
OF
LaVILLA TOWNHOUSE HOMEOWNERS ASSOCIATION
A NON-PROFIT CORPORATION

The undersigned natural person over the age of twenty-one (21) years, acting as the incorporator of a non-profit corporation under the "Utah Non-Profit Corporation and Cooperative Association Act," hereby adopts the following Articles of Incorporation for said corporation.

ARTICLE I

NAME. The name of the corporation hereby created shall be:

LaVILLA TOWNHOUSE HOMEOWNERS ASSOCIATION.

ARTICLE II

DURATION. The corporation shall continue in existence perpetually unless dissolved according to law.

ARTICLE III

PURPOSES. The purposes for which the corporation is organized are:

(a) To acquire, own, hold, manage, operate and maintain the Common Facilities of the LaVILLE Townhouse Condominium Project in Utah County, State of Utah for the use, benefit and enjoyment of the members of this corporation and to carry out such additional functions as the members may properly determine.

(b) To engage in the business of property management and to act as an agent for its members in acquiring, holding, improving, leasing, renting, collecting rentals, subleasing, and otherwise dealing in real property and improvements to real property;

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ARTICLES OF INCORPORATION
OF
LaVILLA TOWNHOUSE HOMEOWNERS ASSOCIATION
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(b) To engage in the business of property management and to act as an agent for its members in acquiring, holding, improving, leasing, renting, collecting rentals, subleasing, and otherwise dealing in real property and improvements to real property;

BOOK 1300 PAGE 65

(c) To engage in such other business activities and pursuits as may be reasonably related to the foregoing; and,

(d) To engage in any and all other lawful purposes, whether similar or dissimilar to the foregoing.

ARTICLE IV

MEMBERSHIP. The corporation shall have members consisting of persons having an ownership interest in one (1) or more of the Units contained within the LaVILLE Townhouse Condominium Project. The term "Unit" as used herein shall have the same meaning as said term is given in the Declaration of Covenants, Conditions and Restrictions. However, no party who has conveyed or otherwise disposed of his entire ownership interest in said Dwelling Group shall thereafter be entitled to acquire or retain membership in the corporation. The conveyance or other disposition by a party entitled to membership in the corporation of all of such party's ownership interest in any Unit in said Project shall be deemed to constitute, and may be treated by the corporation as, a transfer and conveyance by such party to such party's successors in interests of all of such party's right, title and interest in and to the corporation, including any membership interests therein, and the corporation shall be entitled to cancel.

ARTICLE V

MEMBERSHIP. The Owner or Owners of each Unit contained within the Project shall be members of the corporation. Membership shall be appurtenant to and may not be separated from ownership of any Unit. Until such time as a Unit is constructed on a given Lot, ownership of such Lot shall carry with it and include a membership in the corporation for each Unit which is permitted to be constructed thereon as herein provided. The Association shall have two classes of voting members:

Class A: Class A members shall be all of the owners of Units with the exception of S.J.M. Properties Inc., a Utah corporation.

(c) To engage in such other business activities and pursuits as may be reasonably related to the foregoing; and,

(d) To engage in any and all other lawful purposes, whether similar or dissimilar to the foregoing.

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ARTICLE V

MEMBERSHIP. The Owner or Owners of each Unit contained within the Project shall be members of the corporation. Membership shall be appurtenant to and may not be separated from ownership of any Unit. Until such time as a Unit is constructed on a given Lot, ownership of such Lot shall carry with it and include a membership in the corporation for each Unit which is permitted to be constructed thereon as herein provided. The Association shall have two classes of voting members:

Class A: Class A members shall be all of the owners of Units with the exception of S.J.M. Properties Inc., a Utah corporation.

Class A members shall be entitled to one (1) vote for each Unit owned by them in the Project. When more than one person holds such interest or interests in any Unit, all such persons shall be members, but in no event shall more than one vote be cast with respect to any one Unit. A member who has sold his Unit to a contract purchaser under an Agreement to Purchase shall be entitled to assign to such contract purchaser such member's membership rights in the corporation; provided the contract seller shall be and remain liable for all charges and assessments for Common Expenses levied or assessed against such Unit to and including the date upon which title to the Unit so sold shall have been transferred to the purchaser.

Class B: S.J.M. Properties Inc., shall be a Class B member of the corporation. As a Class B member Declarant shall be entitled to two (2) votes for each Lot or Unit owned by it, provided that all of the Class B memberships of S.J.M. Properties Inc., shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (a) When the total votes outstanding in the Class A memberships shall equal the total votes outstanding in the Class B membership; or
- (b) On January 1, 1973.
- (c) When Declarant has sold all Units available which then would constitute Class A stock by virtue of the Unit being purchased from Declarant.

ARTICLE VI

TRUSTEES. The corporation shall have a Governing Board of Trustees, which shall consist of three(3) trustees. The number of trustees constituting the Governing Board of Trustees shall not be changed other than by amendment to these Articles of Incorporation. The names and addresses of the persons who are to serve as Trustees until the first annual meeting of members and

Class A members shall be entitled to one (1) vote for each Unit owned by them in the Project. When more than one person holds such interest or interests in any Unit, all such persons shall be members, but in no event shall more than one vote be cast with respect to any one Unit. A member who has sold his Unit to a contract purchaser under an Agreement to Purchase shall be entitled to assign to such contract purchaser such member's membership rights in the corporation; provided the contract seller shall be and remain liable for all charges and assessments for Common Expenses levied or assessed against such Unit to and including the date upon which title to the Unit so sold shall have been transferred to the purchaser.

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- (a) When the total votes outstanding in the Class A memberships shall equal the total votes outstanding in the Class B membership; or
- (b) On January 1, 1973.
- (c) When Declarant has sold all Units available which then would constitute Class A stock by virtue of the Unit being purchased from Declarant.

ARTICLE VI

TRUSTEES. The corporation shall have a Governing Board of Trustees, which shall consist of three (3) trustees. The number of trustees constituting the Governing Board of Trustees shall not be changed other than by amendment to these Articles of Incorporation. The names and addresses of the persons who are to serve as Trustees until the first annual meeting of members

and until their successors are duly elected and qualified are:

NAME	ADDRESS
T. Michael Crockett	362 Ea. 900 N. 946 So. 500 E. Orem, Utah 84057
Spencer J. Klomp	2500 Fillmore Ave. Ogden, Utah
O. Jay Call	Salt Lake City, Utah

ARTICLE VII

INCORPORATOR. The name and address of the incorporator of the corporation is:

NAME	ADDRESS
T. Michael Crockett Agent-Incorporator S.J.M. Properties Inc.	362 Ea. 900 No. 946 So. 500 East Orem, Utah 84057

and until their successors are duly elected and qualified are:

NAME	ADDRESS
T. Michael Crockett	362 E. 900 N. 946 So. 500 E. Orem, Utah 84057
Spencer J. Klomp	2500 Fillmore Ave. Ogden, Utah
O. Jay Call	Salt Lake City, Utah

ARTICLE VII

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NAME	ADDRESS
T. Michael Crockett Agent-Incorporator S.J.M. Properties Inc.	362 E. 900 No. 946 So. 500 East Orem, Utah 84057

ARTICLE VIII

INITIAL PRINCIPAL OFFICE. The location and street address of the initial principal office of the corporation is:

~~945 So. 500 W.~~ 2500 FILLMORE AVE
~~Ogden, Utah 84457~~ OGDEN, UTAH.

which office may be changed at any time by the Governing Board of Trustees without amendment of these Articles of Incorporation.

DATED this 31ST day of Oct., 1972.

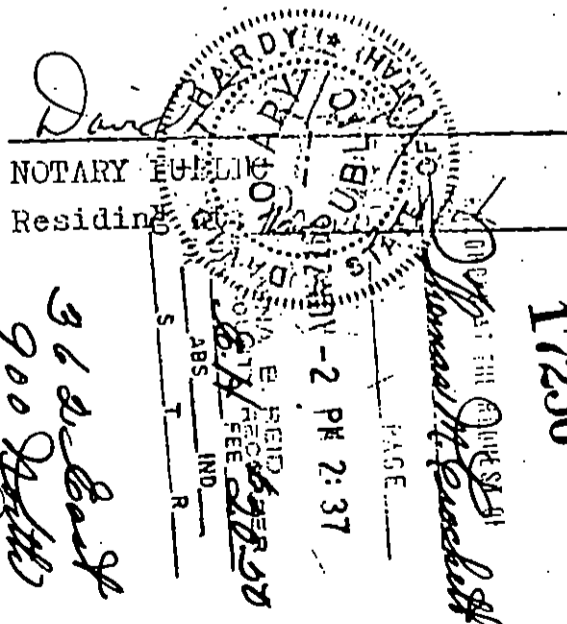
T. Michael Crockett

STATE OF UTAH)
: SS
COUNTY OF UTAH)

On this 31 day of October, 1972, personally appeared before me T. Michael Crockett, who being by me first duly sworn, declared that he is the person who signed the foregoing Articles of Incorporation as Incorporator and that the statements contained therein are true.

My Commission Expires:

18 Nov. 1975



ARTICLE VIII

INITIAL PRINCIPAL OFFICE. The location and street address of the initial principal office of the corporation is:

~~946 So. 500 W.~~ 2500 FILLMORE AVE
~~Ogden, Utah 84405~~ OGDEN, UTAH.
c/o SPENCER J. KLUMP

which office may be changed at any time by the Governing Board of Trustees without amendment of these Articles of Incorporation.

DATED this 31st day of Oct., 1972.

T. Michael Crockett
T. Michael Crockett

STATE OF UTAH)
 : SS
COUNTY OF UTAH)

On this 31 day of October, 1972, personally appeared before me T. Michael Crockett, who being by me first duly sworn, declared that he is the person who signed the foregoing Articles of Incorporation as Incorporator and that the statements contained therein are true.

My Commission Expires:

18 Nov. 1975

David Hardy
NOTARY PUBLIC
Residing in
STATE OF UTAH
My Commission Expires
OCT 2 1975
2 PM 7:37
Spencer J. Klump
T. Michael Crockett

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17256

96 So. East
900 West
Ogden, Utah