

FIRST AMENDMENT
TO
DECLARATION OF CONDOMINIUM 1040
OF *Amd Lakeview Condo of Bntfl*
569543 *(60 units)*
LAKEVIEW CONDOMINIUM PROJECT

Recorded at request of *Delta Title Co.* Fee Paid \$ 49.50
 Date JUL 22 1980 at 4:00 P.M. CAROL DEAN PAGE Recorder Davis County
 By *Carol Dean Page* Deputy Book 831 Page 1040

LAKEVIEW CONDOMINIUM ASSOCIATES, a Utah Corporation, formerly a Utah General Partnership, pursuant to the terms and provisions of the Declaration of Condominium of Lakeview Condominium Project, recorded May 25, 1979, Book 771, Page 523, official records of Davis County, Utah, and in particular, but not limited to, Recital B., Buildings, Units and Survey Maps, Provision 15, Entire Tract, Provision 17, Additional Land, Article II, Submission to the Act, Article III, Provision 1, Description of Improvements, Provision 2, Description and Legal Status of Units, Provision 3, Contents of Exhibit "A", Provision 5, Determination of Interest in Common Areas, Provision 9, () Composition of Committee, Election, Vacancy, Provision 24, Expansion of the Project, Article, (a) Reservation of Option to Expand, Article, (f), Description of Units, Par Value, Provision 27, Service of Process, Exhibit "A" and Plats, thereof, and pursuant to the provisions of the Utah Condominium Ownership Act, Chapter 8 of Title 57, Utah Code Annotated, as amended, hereby amends the Declaration of Condominium of Lakeview Condominium Project as follows:

1. The Record of Survey Map, Exhibit "A", An Amended Plat of Lakeview Condominiums of Bountiful, above referred to, is hereby attached, amending Plat-Phase I as recorded.
2. The Record of Survey Map, Exhibit "B", of Lakeview Condominiums of Bountiful, Phase II, is hereby attached, an addition to Exhibit "A" as recorded and amended.
3. Exhibit "A" to the Declaration of Condominium of Lakeview Condominium Project, above referred to, entitled Unit Number, Par Value and Percentage of Undivided Interest in Common Areas, is hereby replaced by the First Amended - Exhibit "C" to Declaration of Condominium of Lakeview Condominium Project, with the same title, attached hereto; and the percentage of undivided interest in common areas and facilities is hereby adjusted to the amounts of the First Amended - Exhibit "C", attached hereto.

Exhibit B+C not attached

R E C I T A L S:

Abstracted
 Indexed
 Entered
 On Margin
 Compared

B. Delete Paragraph, change to:
 There has been constructed upon said tract ten apartment buildings, containing 60 apartment units and other improvements; 48 units have been converted to a condominium project and Declarant now desires to convert the additional twelve (12) apartment units to the condominium project for a total of 60 units. All of such construction has been performed in accordance with the plans and drawings contained in the Record of Survey Map, Exhibit "A", an Amended Plat filed for record simultaneously herewith, consisting of two sheets, prepared and certified by Jim J. Byrd, Utah Registered Land Surveyor, said recordings in Book 823 Page 20, Davis County, Utah.

B-1. Add Paragraph:
 One of the purposes of this amendment is to add Phase II to Lakeview Condominiums of Bountiful, comprised of 2.042 acres contiguous to the West to Phase I, with access to 200 North Street at 395 West 200 North, with plans to construct upon said tract six apartment buildings, with a total of 21 condominium units and other improvements. All of such construction shall be performed in accordance with the plans and drawings contained in the Record

of Survey Map of Lakeview Condominiums of Bountiful, Phase II, filed for record simultaneously herewith, consisting of two sheets, prepared and certified by Jim J. Byrd, Utah Registered Land Surveyor. All of the units to be constructed will be compatible with structures in the prior phase in terms of quality of construction, the principal materials used and updated architectural style.

15. Entire Tract shall mean and refer to the following described tract of land situate in Davis County, State of Utah, together with all appurtenances thereto. Delete description as recorded, amended as follows:

Phase I: Beginning at a point 278.255 feet North of the North Line of Center Street at a point which is given as West 520.20 feet and South 794.545 feet from the Northeast Corner of Lot 3, Block 3, North Mill Creek Plat, Bountiful Townsite Survey, (Corner not in place) said point is also West 559.78 feet along the Center Line of Center Street and perpendicular to said Centerline 303.01 feet from the Bountiful City Monument at 200 West and Center Street and Running thence North 221.39 feet to a fence; thence North 88°46'56" West 409.51 feet along said fence; thence South 358.36 feet; thence East 70.00 feet; thence North 6.36 feet; thence East 82.75 feet; thence North 3.64 feet; thence East 70.0 feet; thence South 42.0 feet; thence East 60.32 feet; thence South 0°54'10" East 118.02 feet; thence East 50.0 feet; thence North 0°54'10" West 118.02 feet; thence East 76.35 feet; thence North 150.26 feet to the Point of Beginning. (For identification purposes only, this Parcel contains 60 Units). Density = 17.12 Units per Acre; Contains 3.505 Acres.

Phase II: Beginning at a Point on the West Line of "An Amended Plat of Lakeview Condominiums of Bountiful", said Point being West 969.20 feet along the Center Line of Center Street and North 224.75 feet from the Bountiful City Monument at the Intersection of 200 West and Center Street and running thence West 303.94 feet; thence North 197.01 feet to a fence; thence North 89°14'56" East 217.33 feet along said fence; thence North 299.07 feet to the South Line of 200 North Street; thence North 89°17'52" East 100.0 feet along said South Line; thence South 192.08 feet to a Point on the North Line of said "Amended Plat of Lakeview Condominiums of Bountiful" said point given as 8.34 chains South and 913.5 feet West of the Northeast Corner of Lot 3, Block 3, North Millcreek Plat, Bountiful Townsite Survey, (Corner not in Place); thence North 88°46'56" West 13.37 feet to a Point lying North 308.36 feet from the Point of Beginning; thence South 308.36 feet to said Point of Beginning. Density = 10.284 Units per Acre; Contains 2.042 Acres.

This Declaration is not intended and should not be deemed to constitute any lien, encumbrance, restriction, or limitation upon any real property or interests in real property other than the land which this Declaration expressly submits to the provisions of the Act.

17. Additional Land shall mean and refer to any land or an interest therein which may come from time to time to be added to the Project as an expansion thereof under the terms and conditions of this Declaration. Such additional land may include all or part of the contiguous tracts of vacant land, together with all appurtenances thereto.

Delete description as recorded.

II. Change to read: Submission to the Act. Declarant hereby submits to the provisions of the Act as the Tract associated with both Phase No. 1 and Phase No. 2 of the Project, the following described real property situated in the County of Davis, State of Utah, to-wit:

Beginning at a point 278.255 feet North of the North Line of Center Street at a point which is given as West 520.20 feet and South 794.545 feet from the North-East Corner of Lot 3, Block 3, North Mill Creek Plat, Bountiful Townsite Survey, (Corner not in place) said point is also West 559.78 feet along the Center Line of Center Street and perpendicular to said Center line 303.01 feet from the Bountiful City Monument at 200 West and Center Street and Running thence North 221.39 feet to a fence; thence North 88°46'56" West 396.14 feet along said fence; thence North 192.08 feet to the South Line of 200 North Street, thence South 89°17'52" West 100 feet along said South Line of Street, thence South 299.07 feet, thence South 89°14'56" West 217.33 feet along a fence, thence South 197.01 feet, thence East 303.94 feet to a point being West 969.20 feet along the Center Line of Center Street and North 224.75 feet from the Bountiful City Monument at the Intersection of 200 West and Center Streets, thence South 50 feet, thence East 70.00 feet, thence North 6.36 feet, thence East 82.75 feet, thence North 3.64 feet, thence East 70.0 feet, thence South 42.0 feet,

thence East 60.32 feet, thence South 0°54'10" East 118.02 feet, thence East 50.0 feet, thence North 0°54'10" West 118.02 feet, thence East 76.35 feet, thence North 160.26 feet to the Point of Beginning. (For identification purposes only, this Parcel to contain 81 Units). Density = 14.6 Units per Acre. Contains 5.547 Acres.

The balance of Article II concerning easements, etc. shall remain the same as Recorded.

III. Covenants, Conditions and Restrictions.

1. Description of Improvements. The first four lines shall be changed to read as follows: The improvements included in Phases No. 1 & 2 of the Project are now located upon the Tract described above, and all of such improvements are described in the Maps. The Maps show the number of stories, the number of Units which are contained in the sixteen (16) condominium buildings, which comprise a part of . . . The balance of the paragraph shall remain as recorded.

2. Description and Legal Status of Units. Change . . . Phase No. 1 to Phases No. 1 & 2.

3. Change to: Contents of Exhibit "C". Exhibit "C" attached to this Declaration furnishes the following information with respect to each Unit in Phases No. 1 & 2. The balance of the paragraph shall remain as recorded.

5. Determination of Interest in Common Areas. The first two sentences shall remain as recorded. Change: The maximum interest of each of the Unit Owners in the Common Areas shall be as set forth in Exhibit "C". Such maximum interest shall be subject as to each Owner to diminution in the event the Project is expanded to the maximum number of Units set forth in Paragraph 24 as amended.

18 Status and General Authority of Committee.

(9) (b) Composition of Committee, Election, Vacancy. Change first two lines: The Management Committee shall be composed of seven (7) members. At the first regular Unit Owners' meeting four (4) Committee members shall be elected for one-year terms and three (3) members for two-year terms. The balance of the paragraph shall remain as recorded.

24. Expansion of the Project.

(a) Reservation of Option to Expand. Change the last two sentences to read: The total number of Units in the Project, as expanded, shall not exceed 87 Units, nor shall the total acreage of the expanded area exceed approximately 6 Acres. The maximum Units per acre that may be constructed on Additional Land is 15.15.

(f) Description of Units; Par Value. Change to read:

The Project covered hereby contains six different Units and are assigned par value based on points as follows:

| Unit Type | No. Units | Approximate Sq. Ft. Units | Par Value Per Unit | Total Par Value |
|-------------------|-----------|------------------------------|-----------------------|-----------------|
| Upper Units | 28 | 940 | 52 | 1456 |
| Lower Units | 28 | 940 | 48 | 1344 |
| Bldg. I-Townhouse | 4 | 1700 | 90 | 360 |

27. Service of Process. Change to read: J. W. SULLIVAN, whose address is 85 West 500 South, City of Bountiful, Davis County, State of Utah, is the person to receive service of process in cases authorized by the Act. The balance of the paragraph shall remain as recorded.

36. Effective Date. This amended Declaration shall take effect upon recording in the office of the County Recorder of Davis County, Utah.

IN WITNESS WHEREOF, the undersigned, being the Declarant, has caused this instrument to be executed and its seal be affixed hereto on the 16th day of July, 1980.

LAKEVIEW CONDOMINIUM ASSOCIATES
A Utah Corporation

By John W. Sullivan
John W. Sullivan, President
Rex L. Lee
Rex L. Lee, Assistant Secretary

ACKNOWLEDGMENT

STATE OF UTAH)
)
COUNTY OF DAVIS)

I, Josephine Roseman, a Notary Public, hereby certify that on the 16th day of July, 1980, personally appeared before me, John W. Sullivan, President of Lakeview Condominium Associates & Rex L. Lee, Vice President of Lakeview Condominium Associates, who being by me first duly sworn, severally declared that they are the persons that executed the foregoing instrument, who duly acknowledged to me that such Corporation executed the same.

Josephine Roseman
Notary Public
Residing in Bountiful

My Commission expires:

2/25/82

EXHIBIT "A"

LAKEVIEW CONDOMINIUM PROJECT
PHASE NO.1, AMENDED

1044

| <u>BUILDING</u> | <u>UNIT NO.</u> | <u>APPROX. SQ. FT.</u> | <u>PAR VALUE</u> | <u>APPURTENANT UNDIVIDED INTEREST IN COMMON AREAS</u> |
|-----------------|-----------------|------------------------|------------------|---|
| I | 59 | 1700 | 90 | 2.6730 |
| | 61 | 1700 | 90 | 2.6730 |
| | 63 | 1700 | 90 | 2.6730 |
| | 65 | 1700 | 90 | 2.6730 |
| H | 67 | 940 | 48 | 1.5310 |
| | 69 | 940 | 52 | 1.6585 |
| | 71 | 940 | 48 | 1.5310 |
| | 73 | 940 | 52 | 1.6585 |
| J | 70 | 940 | 48 | 1.5310 |
| | 72 | 940 | 52 | 1.6585 |
| | 74 | 940 | 48 | 1.5310 |
| | 76 | 940 | 52 | 1.6585 |
| A | 75 | 940 | 48 | 1.5310 |
| | 77 | 940 | 52 | 1.6585 |
| | 79 | 940 | 48 | 1.5310 |
| | 81 | 940 | 52 | 1.6585 |
| | 83 | 940 | 48 | 1.5310 |
| | 85 | 940 | 52 | 1.6585 |
| | 87 | 940 | 48 | 1.5310 |
| | 89 | 940 | 52 | 1.6585 |
| B | 91 | 940 | 48 | 1.5310 |
| | 93 | 940 | 52 | 1.6585 |
| | 95 | 940 | 48 | 1.5310 |
| | 97 | 940 | 52 | 1.6585 |
| G | 92 | 940 | 48 | 1.5310 |
| | 94 | 940 | 52 | 1.6585 |
| | 96 | 940 | 48 | 1.5310 |
| | 98 | 940 | 52 | 1.6585 |
| C | 101 | 940 | 48 | 1.5310 |
| | 105 | 940 | 52 | 1.6585 |
| | 111 | 940 | 48 | 1.5310 |
| | 115 | 940 | 52 | 1.6585 |
| | 119 | 940 | 48 | 1.5310 |
| | 123 | 940 | 52 | 1.6585 |
| | 127 | 940 | 48 | 1.5310 |
| | 131 | 940 | 52 | 1.6585 |
| F | 102 | 940 | 48 | 1.5310 |
| | 106 | 940 | 52 | 1.6585 |
| | 110 | 940 | 48 | 1.5310 |
| | 114 | 940 | 52 | 1.6585 |
| | 118 | 940 | 48 | 1.5310 |
| | 122 | 940 | 52 | 1.6585 |
| | 126 | 940 | 48 | 1.5310 |
| | 130 | 940 | 52 | 1.6585 |
| E | 134 | 940 | 48 | 1.5310 |
| | 138 | 940 | 52 | 1.6585 |
| | 142 | 940 | 48 | 1.5310 |
| | 146 | 940 | 52 | 1.6585 |
| | 150 | 940 | 48 | 1.5310 |
| | 154 | 940 | 52 | 1.6585 |
| | 158 | 940 | 48 | 1.5310 |
| | 162 | 940 | 52 | 1.6585 |
| D | 135 | 940 | 48 | 1.5310 |
| | 139 | 940 | 52 | 1.6585 |
| | 141 | 940 | 48 | 1.5310 |
| | 145 | 940 | 52 | 1.6585 |
| | 151 | 940 | 48 | 1.5310 |
| | 153 | 940 | 52 | 1.6585 |
| | 159 | 940 | 48 | 1.5310 |
| | 163 | 940 | 52 | 1.6585 |

BY-LAWS OF LAKEVIEW

CONDOMINIUMS

I. IDENTITY

These are the By-Laws of the LAKEVIEW CONDOMINIUM PROJECT.

II. APPLICATION

All Unit Owners, tenants, or any other person(s) who might use the facilities of the LAKEVIEW CONDOMINIUM PROJECT in any manner are subject to the regulations set forth in these By-Laws. The mere acquisition or rental of any of the Units or the mere act of occupancy or use of any of said Units or the Common Areas will signify that these By-Laws are accepted, ratified, and will be complied with by such persons.

III. ADMINISTRATION

1. Place of Meetings. Meetings of the Unit Owners shall be held at such place within the State of Utah as the Management Committee may specify in the notice, except as herein otherwise specified.

2. Annual Meetings. The first regular meeting of the Unit Owners shall be held on the 15th day of September, 1979, at such place as the Management Committee shall specify. Thereafter, the annual meeting shall be held on such day of each succeeding year; provided, however, that whenever such date falls on a legal holiday, the meeting shall be held on the next succeeding business day, and provided further, that the Management Committee may by resolution fix the date of the annual meeting on such date and at such place as the Management Committee may deem appropriate.

3. Special Meetings. Special meetings of the Unit Owners may be called at any time by written notice served by the Management Committee, or by Unit Owners having 35 percent of the total votes, delivered not less than seven (7) days prior to the date fixed for such meeting. Such meeting shall be held on the Project or such other place as the Management Committee may specify and the notice thereof shall state the place, date, time and matters to be considered.

4. Notices. Any notice permitted or required to be delivered as provided herein may be delivered either personally or by mail. If delivery is by mail, it shall be deemed to have been delivered 24 hours after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to

each Unit owner at the address given by such person to the Management Committee or the Manager for the purpose of service of such notice or to the Unit of such person if no address has been given. Such address may be changed from time to time by notice in writing to the Management Committee or Manager.

5. Quorum. At the meeting of the Unit Owners, the owners of more than fifty percent (50%) in the aggregate in interest of the undivided ownership of Common Areas shall constitute a quorum for any and all purposes, except where by express provisions a greater vote is required, in which event a quorum shall be the number required for such vote. In the absence of a quorum the Chairman of the meeting may adjourn the meeting from time to time, without notice other than by announcement at the meeting, until holders of the amount of interest requisite to constitute a quorum shall attend. At any such adjourned meeting at which a quorum shall be present any business may be transacted which might have been transacted at the meeting as originally notified.

6. Voting. When a quorum, as provided in the Utah Condominium Ownership Act is present at any meeting, the vote of Unit Owners representing at least fifty-one percent (51%), or more, of the undivided ownership of Common Areas and Facilities, present in person or represented by proxy, shall decide any question of business brought before such meeting, including the election of the Management Committee, unless the question is one upon which, by express provision of the statutes, the Declaration, or of these By-Laws, a different vote is required, in which case such express provision shall govern and control the decision of such question.

A. Proxies. Votes may be cast in person or by proxy. Proxies shall be in writing and the signatures must be witnessed or acknowledged. Proxies must be filed with the Secretary before the appointed time of each meeting, and in the case of proxies for the annual meeting, they shall be delivered to the Secretary at least three days prior to said annual meeting. Proxies for special Unit Owners' meetings must be of record with the Secretary at least three days prior to said special meeting. No proxy shall be valid for a period longer than 11 months after the date thereof.

B. Voting by Mail. The Management Committee may decide that voting of the members shall be by mail with respect to any particular election of the Management Committee or with respect to adoption of any proposed amendment to the Declaration or By-Laws, or with respect to any other matter for which approval by owners is required by the Declaration or By-Laws.

7. Waiver of Notice. Any Unit Owner may at any time waive any notice required to be given under these By-Laws, or by statutes or otherwise. The presence of a Unit Owner in person at any meeting of the Unit Owners shall be deemed such waiver.

IV. MANAGEMENT COMMITTEE

1. General Authority. Except as hereinafter provided, 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 hereinafter provided, constitute a legal entity capable of dealing in the Committee's name. The Management Committee shall have, and is hereby granted, the following authority and powers:

- A. Easements. 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.
- B. Amendments to Declaration and Map. The authority to execute and record, on behalf of all the Unit Owners, any amendments to the Declaration or the Map which has been approved by the vote or consent necessary to authorize such amendment.
- C. Lawsuits. The power to sue and be sued.
- D. Contracts. The authority to enter into contracts relating to the Common Areas and other matters over which it has jurisdiction, so long as any vote or consent of the Unit Owners necessitated by the subject matter of the agreement has been obtained.
- E. Conveyances. The power and authority to convey or transfer any interest in real property, so long as the vote or consent necessary under the circumstances have been obtained.
- F. Real Property. The power and authority to purchase, or otherwise acquire, and accept title to, any interest in real property so long as such action has been authorized by any vote or consent which is necessary under the circumstances.
- G. Rules. The authority to promulgate such reasonable rules, regulations, and procedures as may be necessary or desirable to aid the Committee in carrying out its functions or to insure that the Project is maintained and used in a manner consistent with the interests of the Unit Owners.
- H. Other Items. The power and authority to perform any other acts and to enter into any other transactions which may be reasonably necessary for the Committee to perform its functions as agent for the Unit Owners. Any instrument executed by the Committee relating to the Common Areas of the Project that recites facts which, if true, would establish the Committee's power and authority to accomplish through such instrument what is purposed 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.

2. Composition of Committee, Election, Vacancy. The Management Committee shall be composed of seven (7) members elected at the annual Owners' meeting. Members shall serve on the Committee until their successors are elected. Only Unit Owners or spouses of Unit Owners and officers, directors, agents and employees of Owners other than individuals shall be eligible for Committee membership. At the annual meeting each Unit Owner may vote his percentage of undivided ownership interest in favor of as many candidates for Committee membership as there are seats on the Committee to be filled. In the event a Committee seat becomes vacant the remaining Committee members shall elect a replacement to sit on the Committee until the expiration of the term for which the member being replaced was elected. Committee members shall be reimbursed for all expenses reasonably incurred in connection with Committee business.

3. Officers. The principal officers of the Management Committee shall be a Chairman, Vice-Chairman, a Secretary, and a Treasurer, all of whom shall be elected by and from the Management Committee. The Management Committee may appoint an assistant secretary and an assistant treasurer and such other officers as in its judgment may be necessary and desirable. Such election or appointment shall regularly take place at the first meeting of the Management Committee immediately following the annual meeting of the Unit Owners; however, election of officers may be held at any other meeting of the Management Committee.

4. Committees. The Management Committee may appoint such other Committees, as it shall deem necessary, who shall have authority to perform such duties as may be prescribed from time to time by the Management Committee. Such subcommittees may or may not be made up of Management Committee members but must be made up of Unit Owners, their spouses, or their agents.

5. Removal of Officers and Agents. All agents and officers shall be subject to removal, without cause, at any time by the affirmative vote of the then members of the Management Committee.

6. Chairman. The Chairman shall be the chief executive of the Management Committee, and shall exercise general supervision over its property and affairs, and shall sign on behalf of the Condominium Project all instruments and contracts of material importance to its business, shall do and perform all acts and things which the Management Committee may require. The Chairman shall preside at all meetings of the Unit Owners and the Management Committee, and shall have all of the general powers of duties which are normally vested in the office of the president of a corporation, including but not limited to the power to appoint committees as the Chairman may, in his/her discretion, to assist in the conduct of the affairs of the Condominium Project.

7. Vice-Chairman. The Vice-Chairman shall take the place of the Chairman and perform his duties whenever the Chairman shall be absent, or unable to act.

If neither the Chairman nor the Vice-Chairman is able to act, the Management Committee shall appoint some other member thereof to do so on an interim basis. The Vice-Chairman shall also perform such other duties as shall from time to time be prescribed by the Management Committee.

8. Secretary. The Secretary shall keep the minutes of all meetings of the Management Committee and of the Unit Owners. The Secretary shall have charge of the books and papers as the Management Committee may direct; and shall, in general, perform all duties incident to the office of Secretary.

9. Treasurer. The Treasurer shall have the responsibility for the funds and securities of the Management Committee and shall be responsible for keeping full and accurate accounts of all receipts and of all disbursements in books of all monies and all other valuable effects in the name, and to the credit of, the Management Committee in such depositories as may from time to time be designated by the Management Committee.

10. Regular Meetings. A regular annual meeting of the Management Committee shall be held immediately after the adjournment of each annual Unit Owners' meeting. Regular meetings, other than the annual meeting, shall or may be held at regular intervals at such places and at such times as either the Chairman or the Management Committee may from time to time designate.

11. Special Meetings. Special meetings of the Management Committee shall be held whenever called by the Chairman, Vice-Chairman, or by four (4) or more members. By unanimous consent of the Management Committee, special meetings may be held without call or notice at any time or place.

12. Compensation. Members of the Management Committee, as such, shall not receive any stated salary or compensation; provided that nothing herein contained shall be construed to preclude any member of the Management Committee from serving the Project in any other capacity and receiving compensation therefor.

13. Waiver of Notice. Before or at any meeting of the Management Committee, any member thereof, may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Management Committee at any meeting thereof shall be a waiver of notice by him of the time and place thereof.

14. Adjournments. The Management Committee may adjourn any meeting from day to day or for such other time as may be prudent or necessary, provided that any meeting may be adjourned for longer than thirty (30) days.

15. Fidelity Bonds. The Management Committee may require that all officers and employees of the Management Committee handling or responsible for funds shall require adequate fidelity bonds. The premium on such fidelity bonds shall be paid by the Management Committee.

16. Rights and Duties. The business, property and affairs of the Project shall be managed and governed by the Management Committee. The Committee shall be responsible for the exclusive control and management of the Common Areas and all improvements thereon (including furnishings and equipment related thereto), and shall cause the same to be kept in good, clean, attractive and sanitary condition, order and repair. The Committee shall be responsible for the maintenance and repair of exterior surfaces of the buildings, included, without limitation, the painting of the same as often as necessary, the replacement of trim, the maintenance and repair of roofs, the maintenance, repair and replacement of all other Common Areas. The specification of duties of the Committee with respect to particular Common Areas shall not be construed to limit its duties with respect to other Common Areas. The cost of such management, operation, maintenance and repair by the Committee shall be borne by assessment as hereinafter provided. The Committee may carry out any of its functions which are capable of delegation through a manager. The manager so engaged shall be responsible for managing the Common Areas 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 Committee itself.

- A. Rules. The Committee may make reasonable rules and regulations governing the use of the Units and of the Common Areas, which rules and regulations shall be consistent with the rights and duties established in these by-laws. The Committee may suspend any Owner's voting rights at the meeting of Unit Owners during any period or periods during which such Owner fails to comply with such rules and regulations, or with any other obligations of such Owners under these by-laws. The Committee may also take judicial action against any Owner to enforce compliance with such rules and regulations or other obligations or to obtain damages for noncompliance, all to the extent permitted by law.
- B. Other Rights. The Committee may exercise any other right or privilege given to it expressly by these by-laws or by law, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

17. Payment for Services, Etc. The Management Committee may obtain and pay for the services of any person or entity to manage its affairs, or any part thereof, to the extent it deems advisable, as well as such other personnel as the Committee shall determine to be necessary or desirable for the proper operation of its functions in the Project. The Committee may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Project or the enforcement of these by-laws or any rules appurtenant to these by-laws.

18. Personal Property Ownership and Use. The Committee may acquire and hold for the use and the benefit of all of the Owners tangible and intangible personal property and may dispose of the same by sale or otherwise, and the beneficial interest in any such property shall be deemed to be owned by the Owners in the same proportion as their respective interests in the Common Areas. Such interest shall not be transferrable except with the transfer of a Unit. A transfer of a Unit shall transfer to the transferee ownership of the transferor's beneficial interest in such property without any reference thereto, and such beneficial interest may in no event be reserved by the transferor of a Unit.

19. Capital Improvements. There shall be no structural alterations, capital additions to, or capital improvements of, the Common Areas requiring expenditure in excess of \$5,000.00 without the prior approval of Unit Owners holding a majority of the voting power.

V. PURPOSE OF PROPERTY AND USE RESTRICTIONS THEREON

1. Use. The purpose of the property is to provide residential housing, parking and recreational facilities for unit owners, their respective families, tenants, guests and servants. The Units and Common Areas and facilities shall be occupied and used as follows:

- A. No commercial business shall be permitted within the property.
- B. There shall be no obstruction of the Common Areas and facilities. Except in the case of designated storage areas, nothing shall be stored in the Common Areas and facilities without the prior written consent of the Management Committee.
- C. Nothing shall be done or kept in any unit or in the general or limited areas and facilities which will increase the rate of insurance on the general or limited common areas and facilities without the prior written consent of the Management Committee. No owner shall permit anything to be done or kept in his unit or in the general or limited Common Areas and facilities which will result in the cancellation of insurance of any unit or any part of the general or limited Common Areas and facilities, or which would be in violation of any law. No waste will be committed of the general Common Areas and facilities or limited Common Areas and facilities.
- D. No sign of any kind shall be displayed to the public view or from any unit or from the general or limited Common Areas and facilities without the prior written consent of the Management Committee.
- E. No animals, livestock or poultry of any kind shall be raised, bred or kept in any unit or in the general or limited Common Areas and

facilities; except that dogs, cats or other household pets may be kept in units, subject to rules and regulations adopted or revised by the Management Committee.

F. No noxious, dangerous or offensive activity or extreme uncleanliness shall be carried on in any unit or major vehicle repair and/or overhaul in the general or limited Common Areas and facilities, nor shall anything be done therein which may be or become an annoyance or nuisance to other owners.

G. Nothing shall be altered or constructed in or removed from the general or limited Common Areas and facilities, except upon the prior written consent of the Management Committee.

2. Rules. The Management Committee is authorized to adopt rules for the use of the general or limited Common Areas and facilities, and prescribe penalties for any violation thereof, and shall furnish such rules in writing to the owners, who shall be bound thereby.

3. Encroachments. None of the rights and obligations of the owners created herein, or by the deeds conveying the condominiums, shall be altered in any way by encroachments due to settlement or shifting of structures or any other cause. There shall be valid easements for the maintenance of said encroachments so long as they shall exist; provided, however, that in no event shall a valid easement for encroachment be created in favor of any owner or owners if said encroachment occurred due to the willful conduct of said owner or owners.

VI. INDEMNIFICATION

Each member of the Management Committee shall be indemnified and held harmless by the Unit Owners against all cost, expenses, and liabilities whatsoever, including, without limitation, attorneys' fees, reasonably incurred by reason of his being or having been a member of said Committee.

VII. OBLIGATIONS OF OWNERS

1. Use of General Common Elements and Limited Common Elements. Each owner shall use the general common elements and the limited common elements in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights of the other owners.

2. Right of Entry. An owner shall permit the Managing Agent or other person authorized by the Management Committee the right of access to the owner's unit and appurtenant limited common areas from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of the common areas, or at any time deemed necessary by the Managing Agent or Management Committee for the making of emergency repairs or to prevent damage to any of the common areas.

An owner shall permit the Managing Agent or other persons authorized by the Management Committee, or other owners, or their representatives, when so required, to enter his unit for the purpose of performing installations, alterations or repairs to the mechanical or electrical services, or to the unit and limited common areas of such other others; provided that requests for entry are made in advance and that such entry is at a time convenient to the owner. In case of an emergency, such right of entry shall be immediate.

3. Destruction or Obsolescence. Each owner shall, upon becoming an owner of a condominium unit, execute a power of attorney in favor of the Association, irrevocably appointing the Association his attorney-in-fact to maintain, repair and improve the building and general and limited common areas, and to deal with the owner's condominium unit upon its destruction or obsolescence and regarding insurance proceeds as is provided in the Declaration.

VIII. MORTGAGES

1. Notice to Association. An owner who mortgages his unit shall notify the Association through the Managing Agent, if any, or the Chairman of the Management Committee, giving the name and address of his mortgagee. The Association shall maintain such information in a book or list entitled "Mortgages of Units."

2. Notice of Unpaid Assessments. The Association shall at the request of a mortgagee of a unit report any unpaid assessments due from the owner of such unit.

IX. ASSESSMENTS

1. Agreement to Pay Assessments. Each Owner of a Unit by the acceptance of a deed or contract therefor, whether or not it be so expressed in the deed or contract, shall be deemed to covenant and agree with each other and with the Committee to pay annual assessments made by the Committee and special assessments for capital improvements and other matters. Such assessments shall be fixed, established and collected from time to time in the manner designated by the Management Committee.

X. EVIDENCE OF OWNERSHIP

1. Any person on becoming an owner of a unit shall furnish to the Management Committee, or their agent, a photocopy of a certified copy of the recorded instrument vesting that person with an interest or ownership, which instrument shall remain in the files of the Association. A member shall not be deemed to be in good standing nor shall he be entitled to vote at any annual or at a special meeting of members unless this requirement is first met.

XI. ACCOUNTING

1. The books and accounts of the association shall be kept in accordance with generally accepted accounting procedures under the direction of the treasurer.
2. At the close of each fiscal year, the books and records of the Management Committee shall be audited by a Certified Public Accountant approved by the association.
3. The books and accounts of the association shall be available for inspection by any unit owner of his authorized representative during regular business hours of the Association.
4. The Fiscal year of the Association shall be from July 1 to June 30.

XII. INSURANCE

1. The Management Committee shall obtain and maintain adequate insurance coverage at all times. Such coverage shall be of the type and kind as provided herein and include insurance for such other risks, of a similar or dissimilar nature, as are or shall hereafter customarily be covered with respect to other properties similar to the property in construction, design, and use. The Management Committee shall make every reasonable effort to obtain insurance with the following provisions or endorsements:
 - A. Exclusive authority to adjust losses shall be vested in the Management Committee as insurance trustee;
 - B. The insurance coverage shall not be brought into contribution with insurance purchased by individual unit owners or their respective mortgagees;
 - C. Each unit owner may obtain additional insurance covering his real property interest at his own expense;
 - D. The insurer waives its right of subrogation as to any claims against each unit owner;
 - E. The insurance coverage cannot be cancelled, invalidated or suspended because of the conduct of any one or more individual unit owners or their respective lessees, employees, agents, contractors, and guests;
 - F. The insurance coverage cannot be cancelled, invalidated or suspended because of the conduct of any officer or employee of the association or Management Committee or their employees, agents or contractors, without prior demand in writing that the Management Committee cure the defect and then only if the defect is not cured within thirty (30) days.

- G. The Management Committee, for the benefit of the property and unit owners, shall maintain a policy or policies of casualty and multi-risk, "all peril" insurance on the property, with the provisions and endorsements as set forth in paragraph "F" above, if obtainable, also with extended coverage endorsements, for the full insurable replacement value of the units, Common Areas and facilities, items of common personal property and fixtures, payable to the Management Committee as insurance trustees to be disbursed in accordance with the terms of the Declaration. The limits and coverage of said insurance shall be reviewed at least annually by the Management Committee and shall include an appraisal of the property. Said policy or policies shall provide for a separate loss payable endorsement in favor of the mortgagee or mortgagees, if any, of each unit.
- H. The Management Committee shall obtain a policy or policies of insurance insuring the Management Committee and its employees, including the manager, the unit owners and their respective lessees, servants, agents, or guests against any liability to the public or to the owners of units, members of the households of unit owners and their respective invitees or tenants, incident to the ownership and/or use of the property. Limits of liability under such insurance shall not be less than Ten Thousand Dollars (\$10,000.00) for any one person injured, One Million Dollars (\$1,000,000.00) for all persons injured in any one occurrence, and shall not be less than One Million Dollars (\$1,000,000.00) for property damage for each occurrence. The limits in coverage of said liability policy or policies shall be reviewed at least annually by the Management Committee and increased at its discretion. Said policy or policies shall be issued on a comprehensive liability basis and, if possible, shall provide cross-liability endorsements for possible claims of any one or more or group of insureds against any one or more or group of insureds without prejudice to the right of a named insured under the policies to maintain an action against another named insured.
- I. Each unit owner shall be required to notify the Management Committee of, and shall be liable for any increased insurance premium for insurance maintained by the Management Committee occasioned by, all improvements made by the unit owner to his unit, the value of which is in excess of One Thousand Dollars (\$1,000.00). Each unit owner shall bear the risk of loss for all improvements made to his unit that were not the subject of notice to the Management Committee.
- J. Any unit owner who obtains individual insurance coverage covering any portion of the property, other than personal property belonging to such unit owner, shall be required to file a copy of such individual policy or policies with the Management Committee within thirty (30) days after obtaining such insurance coverage.

- K. No unit owner shall be entitled to exercise his right to maintain insurance coverage in such a way as to decrease the amount that the Management Committee, on behalf of all of the unit owners, may realize under any insurance policy that the Management Committee may have in force covering the property or any part thereof at any time.

XIII. BY-LAWS

1. Amendments. By-Laws (and amendments thereto) for the administration of the Association and the property, and for other purposes not inconsistent with the Act or with the intent of the Declaration, shall be adopted by the Association by concurrence of those voting owners holding sixty percent (60%) of the voting power at a regular or special meeting.

XIV. NONPROFIT ASSOCIATION

This Association is not organized for profit. No member, member of the Management Committee or person from whom the Association may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operation thereof, and in no event shall any part of the funds or assets of the Association be paid as salary or compensation to, or distributed to, or inure to the benefit of any members of the Board. The foregoing, however, shall neither prevent nor restrict the following:

1. Reasonable compensation may be paid to any member or manager while acting as an agent or employee of the Association for services rendered in effecting one or more purposes of the Association, and
2. Any member of Board member may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with administration of the affairs of the Association.

XV. SEVERABILITY

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

XVI. CONFLICT WITH DECLARATION OR LAW

These By-laws are intended to comply with and supplement the requirements of the Utah Condominium Act and the Declaration. If any of these By-Laws conflict with the provisions of said statute or Declaration, the provisions of the statute and Declaration will apply.