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AFTER RECORDING PLEASE RETURN TO:

SOUTH JORDAN PLAZA EAST, LLC  
C/O Walt Parcell  
248 South State  
Orem, UT 84058

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03/15/2007 09:28 AM \$70.00  
Book - 9435 Pg - 4844-4863  
GARY W. OTT  
RECORDER, SALT LAKE COUNTY, UTAH  
PARCELL CONSTRUCTION  
BY: KLD, DEPUTY - WI 25 P.

**DECLARATION OF CONDOMINIUM**  
(Including Bylaws)

**OF**

**SOUTH JORDAN PLAZA EAST, PHASE I**

(An Expandable Office Condominium Project)  
South Jordan, Utah

**THIS DECLARATION OF CONDOMINIUM** is made as of this 17th day of, February 2006, by SOUTH JORDAN PLAZA EAST, LLC, a Utah Limited Liability Company ("Declarant"), pursuant to the provisions of Sections 57-8-1 *et seq.* Of the Utah code, as amended known as (the "Act".)

**RECITALS:**

- A. Declarant is the record owner of that certain, Tract of Land, more particularly described in Article II hereof, together with improvements thereon.
- B. Declarant has constructed, or is in the process of constructing, upon the Tract certain improvements so as to enable its use and operation as a condominium Project. The construction of all such improvements shall be preformed in accordance with the information contained in this Declaration and in the Record of Survey Map.
- C. Declarant desires, by recording this Declaration, to submit said Tract and all improvements constructed thereon to the provisions of the Act as a Condominium Project to be known as SOUTH JORDAN PLAZA EAST, PHASE I, a condominium project.
- D. Declarant intends that fee title to individual Units contained in the Project, together with an undivided percentage interest in and to the Common Areas and Facilities appurtenant to such Units, be subject to the covenants, conditions, restrictions, limitations, and easements herein set forth.

**NOW, THEREFORE,** for the forgoing purposes, Declarant hereby makes the following declaration:

## ARTICLE I

### DEFINITIONS

When used in this Declaration (including that portion hereof captioned **Recitals**) each of the following terms used shall have the meaning indicated. Any term used herein which is defined, as the Act shall, to the extent permitted by the content hereof, have the meaning described by the Act.

- 1.01 **Act** shall mean and refer to the Condominium Ownership Act, Title 57, Chapter 3, *Utah Code* (1953), as the same may be amended from time to time, including any successor statutory provisions thereof.
- 1.02 **Association of Unit Owners or the Association** shall mean and refer to the Unit Owners acting as a group in accordance with this Declaration as the Act.
- 1.03 **Buildings** shall mean and refer to the structures described on the Map containing the Units comprising a part of the Project.
- 1.04 **Bylaws** shall mean and refer to the Bylaws of the Association as set forth and embodied in this Declaration in Articles X, XI, and XII, pursuant to Section 57-8-13 of the Act.
- 1.05 **Common Areas or Common Areas and Facilities** shall mean, refer to and include:
  - a. The real property and interest in real property which this Declaration submits to the provisions of the Act, including the entirety of the Tract and all lawns, landscaping, fences; outdoor lighting, sidewalks, walkways, parking lots, and private ways located thereon, but excluding all individual Units;
  - b. All Common areas and facilities, as above defined, which may be designated as such on the Survey Map, and all Common areas and Facilities and all Limited Common Areas and Facilities as defined in the Act whether or not expressly listed herein or on the Map;
  - c. All foundations, columns, beams, interior load bearing wall, and supports of the Buildings;
  - d. All walls, corridors, stairs, stairways, entrances, exits, and landings which are designed for the use of more than one unit and which are not contained within a Unit;
  - e. Those portions of the exterior walls of the Buildings (excluding glass in windows) beyond the exposed face of the dry wall on the Unit side of such walls; those portions of all walls which enclose Units and divide them from corridors, stairs and other Common Areas and which are located between the Units within the unfinished surfaces of such wall on either side thereof, the floors; and the roof;
  - f. All installations and equipment designed and intended to provide utility services for common use, including (but not limited to) telephone, electricity, gas, water, sewer, heat, ventilation, and air conditioning (including all pipes, ducts, vents, wires, cables, and conduits designed and intended for common use in connection therewith), whether or not located within the horizontal and vertical boundaries of a Unit, but excluding from such installations and equipment all parts thereof, and all items affixed or connected thereto, located within the exterior boundaries of the Unit and designed and intended for the sole use of such Unit;
  - g. All apparatus and equipment designed and intended for common use such as (but not necessarily limited to) pumps, motors, fans, clocks, compressors and control apparatus and equipment, whether or not located within the horizontal and vertical boundaries of a Unit, but excluding from such apparatus or equipment all parts thereof, and all items affixed or connected thereto, located within the exterior boundaries of a Unit and

designed and intended for the sole use of such Unit;

- h. All cleaning and maintenance equipment and other personal property at any time leased, acquired, owned or held by the Association for the common use of benefit of all Owners; and
- i. All other parts of the Project designed and intended for or normally in, common use or necessary or convenient to the existence, maintenance, safety, or management of the project.

The term "common use", as used in this definition, includes without limitation, use by or for any two or more Units.

- 1.06 **Common Expenses** shall mean and refer to all items and sums described in the Act which are lawfully assessed against the Unit Owner in accordance with the provisions of the Act, this Declaration and such rules, regulations and other determinations and agreements pertaining to the Condominium Project as the Management Committee or the Association may from time to time adopt.
- 1.07 **Condominium Project or Project** shall mean and refer to **SOUTH JORDAN PLAZA EAST, PHASE I CONDOMINIUM**, as the same shall exist from time to time.
- 1.08 **Condominium Unit or Unit** shall mean and refer to one of the individual air spaces which is designated as a Unit on the Record of Survey Map and in Exhibit "A" attached hereto and incorporated herein by this reference. Notwithstanding any information on the Survey Map to the contrary, which Unit is or shall be deemed to be bounded by the interior surfaces of the walls, floors and ceilings, and the exterior surfaces of all window glass and doors on or along the perimeter boundaries of such individual air space, as said boundaries are shown on the Survey Map. All walls, floors, and ceilings on or along the perimeter boundaries of a Unit shall constitute a part of the Common Areas and Facilities. A unit shall also include any non-load bearing walls and partitions which are wholly confined within its vertical and horizontal perimeters; provided, however, that a Unit shall not include any part or portion of the Common Areas defined in paragraphs (c), (f), or (g) of Section 1.5 hereof, but shall include all installations, equipment, apparatus, and items affixed or connected thereto of the character contemplated by said paragraphs (f) and (g) which are located within the exterior boundaries of such Unit. A unit shall also include all fixtures confined within its vertical and horizontal perimeters and intended for the sole use of such Unit. The exterior surface of a window glass or door shall mean the plane at which such surface is located when the window or door is closed.
- 1.09 **Declaration** shall mean and refer to this declaration as the same may hereafter be amended in accordance with law and the provisions hereof. Any ambiguities, omissions, and/or conflicts shall be construed to comply with the provisions of the Act.
- 1.10 **Limited Common Areas and Facilities or Limited Common Areas** shall mean and refer to those Common Areas, if any, designated in this declaration or the Act or shown on the Map as reserved for the exclusive use of a certain Unit or Units to which the same are physically attached or, in case of equipment, to which they provide service to the exclusion of other Units of other Units.
- 1.11 **Management Committee or Committee** shall mean and refer to the Committee as provided in the Declaration charged with and having the responsibility and authority to administer the Project and to make and to enforce reasonable rules and regulations covering the operation and maintenance thereof.
- 1.12 **Member** shall mean and refer to an Owner as a member of the Association.

- 1.13 **Mortgage** shall mean and include both a recorded first mortgage on one or more Condominium Units and a recorded first deed of trust on one or more Condominium Units.
- 1.14 **Mortgagee** shall mean and include both a mortgagee and a beneficiary under a recorded Mortgage as defined in Section 1.13, above.
- 1.15 **Record of Survey Map, Survey Map or Map** shall mean and refer to the Record of survey Map filed concurrently herewith with the Salt Lake County Recorder entitled **SOUTH JORDAN PLAZA EAST, PHASE I Phase 1, An Expandable Office Condominium, South Jordan City, Utah**, executed and acknowledged by Declarant, consisting of three (3) sheets prepared by Michael D. Hoffman, a duly registered Utah Land Surveyor holding Certificate No. 318831, as said Map may hereafter be modified or amended in accordance with law and the provisions hereof.
- 1.16 **Tract** shall mean and refer to the real property described in section 2.01, which Article 11 of this Declaration submits to the Act.
- 1.17 **Unit Number** shall mean and refer to the number, letter or combination thereof which designates a Unit on the Map.
- 1.18 **Unit Owner or Owner** shall mean and refer to the person or persons owning a fee simple interest in a Condominium Unit. In the event a Unit is the subject of an executory contract of sale, the buyer shall, unless the seller and buyer have otherwise agreed and have informed the committee writing of such agreement, be considered the Unit Owner for all purposes.

## ARTICLE II

### SUBMISSION OF THE PROJECT

- 2.01 Submission, Description, and Reservations. Declarant hereby submits to the provisions of the Act the following described real property and improvements situated in the City of South Jordan, County of Salt Lake, State of Utah:

#### PHASE I

BEGINNING AT A POINT ON THE EASTERLY LINE OF SOUTH JORDAN PLAZA AN OFFICE CONDOMINIUM PROJECT, AS RECORDED WITH THE OFFICE OF THE SALT LAKE COUNTY RECORDER, SAID POINT BEING NORTH 908.75 FEET AND WEST 3572.64 FEET FROM THE EAST QUARTER CORNER OF SECTION 14, TOWNSHIP 3 SOUTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN, AND RUNNING THENCE NORTH ALONG SAID EASTERLY LINE 252.01 FEET; THENCE SOUTH 89°36'32" EAST 174.89 FEET; THENCE SOUTH 57.93 FEET; THENCE SOUTH 89°10'33" EAST 81.42 FEET; THENCE SOUTH 78.81 FEET; THENCE SOUTH 89°55'29" EAST 46.79 FEET TO A POINT ON THE WESTERLY LINE EXTENSION OF SOFFE COMMERCIAL SUBDIVISION, AS RECORDED WITH THE OFFICE OF THE SALT LAKE COUNTY RECORDER; THENCE SOUTH 72°39'55" EAST ALONG SAID WESTERLY LINE AND LINE EXTENSION 204.80 FEET TO A POINT ALONG THE ARC OF A 27,729.71 FOOT NON-TANGENT RADIUS CURVE TO THE RIGHT (CENTER BEARS NORTH 17°00'52" EAST); THENCE NORTHWESTERLY ALONG THE ARC OF SAID 27,729.71 FOOT RADIUS CURVE, THROUGH A CENTRAL ANGLE OF 00°42'06", A DISTANCE OF 339.60 FEET; THENCE NORTH 72°17'03" WEST 122.25 FEET TO THE POINT OF BEGINNING.

CONTAINS: 114,328 SQ.FT. OR 2.624 ACRES

**TOGETHER WITH** all easements, rights of way, and other appurtenances and rights incident to, appurtenant to, or accompanying the above-described parcel of real property.

**RESERVING UNTO DECLARANT**, however such easements and rights of ingress and egress over, across, through, and under the above-described Tract and any improvements (including Buildings) now or hereafter constructed thereon as may be reasonably necessary for Declarant (i) to construct and complete each of Building and all of the other improvements described in this Declaration or in the Survey Map recorded concurrently herewith and to do all things reasonably necessary or proper in connection therewith (ii) to construct and complete on the Additional Land or any portion thereof such improvements as Declarant shall determine to build in its sole discretion (and whether or not the Additional Land or any portion thereof has been or hereafter will be added to the development) and (iii) to improve portions of the said property with such other or additional improvements, facilities, or landscaping designed for the use and enjoyment of all the Owners and Declarant may reasonably determine to be appropriate. If pursuant to the foregoing reservations, the above described Tract or any improvement thereon is traversed or partially occupied by a permanent improvement or utility line, a perpetual easement for such improvement or utility line shall exist. With the exception of such perpetual easements, the reservations hereby effected shall, unless sooner terminated in accordance with their terms, expire ten (10) years after the date on which this Declaration is filed for record in the office of the County Recorder of Salt Lake County, Utah.

**ALL OF THE FOREGOING IS SUBJECT TO** all liens current and future taxes, assessments, and charges imposed or levied by governmental or quasi-governmental authorities; all Patent reservations and exclusions; all mineral reservations of record and rights incident thereto; all instruments of record which affect the above-described Tract or any portion thereof, including, any Mortgage (and nothing in this paragraph shall be deemed to modify or amend such Mortgage); all visible easements and rights-of-way; all easements and rights-of-way, encroachments, or discrepancies shown on or revealed by the Survey Map or otherwise existing; an easement for each and every pip, line, cable, wire, utility line, or similar facility which traverses or partially occupies the above-described Tract at such time as construction of all project improvements is complete; and all easements necessary for ingress to, egress from, maintenance of, and replacement of all such pipes, lines, cables, wires, utility lines, or other similar facilities; **AND TO EACH OF THE COVENANTS, EASEMENTS, CONDITIONS, AND RESTRICTIONS CONTAINED IN THIS DECLARATION.**

- 2.02 **Division into Condominium Units; Ownership Interests.** The project is hereby divided into eleven (11) condominium units in Phase 1 as set forth on the Map, each such Condominium Unit consisting of a Unit and an appurtenant undivided ownership interest in and to the Common Areas and Facilities as is set forth in Exhibit "A" attached hereto and incorporated herein by this reference.
- 2.03 **Expansion of Project.** Declarant reserves the right at Declarants' option, exercisable without the consent of any Unit Owner, to expand the Project by adding to it, without limitation, all or any portion of the Additional Land, from time to time at Declarants' choosing, but within the seven (7) year period of limitation referred to in Section 2.04 (f), and without regard to any order of addition of such Additional Land. Declarant knows of no circumstance which will terminate Declarants' option to expand the Project prior to the expiration of such seven (7) year time limit. No assurances are made as to the location of any improvements to be constructed upon the Additional Land.
- 2.04 **Limitation on Expansion.** Declarants' right to annex the Additional Land into the Project shall be subject to the following limitations:
- a. Any land added to the Project must be part or all of the Additional Land set forth and described in **Exhibit B** hereto;

- b. No expansion of the Project shall cause the total aggregate number of Units existing in the Project to exceed one hundred twenty (120) Units.
- c. The holder of each mortgage, deed of trust or other security device affecting any part of the Additional Land being annexed into the Project must, through appropriate instruments recorded in Salt Lake County, Utah, consent to the recordation of the Supplemental Declaration and the Map to which such Supplemental Declaration relates;
- d. The Additional Land added to the Project must be subdivided into Condominium Units with Common Areas, Limited Common Areas and Building Limited Common Areas designed to be used for purposes similar to those contemplated by this Declaration; provided, however, that in each succeeding phase of the Project, Buildings and Units shall be substantially similar to, and the architectural style, quality of construction and principal materials used within such phase shall be compatible and in harmony with, that of prior phases; and
- e. The right to expand the Project shall expire seven (7) years after this Declaration is filed for record in the office of the County Recorder of Salt Lake County, Utah.

2.05 **Expansion Procedure.** Subject to compliance with the provisions of Section 2.04, the addition of any such land shall become effective upon the concurrent recordation in the office of the County Recorder of Salt Lake County, Utah, of a Map of such Additional Land, or portion thereof, signed by the owner thereof, and of a Supplemental Declaration which (a) is signed by the then owner(s) of such Additional Land as Declarant; (b) describes the land to be added; (c) declares that the added land is to be held, transferred, sold, conveyed, and occupied subject to this Declaration; and (d) sets forth such additional limitations, restrictions, easements, covenants and conditions, not inconsistent with those of the Declaration, as are applicable to the added land, including any adjustments in the appurtenant undivided interests and in to the Common Areas and Facilities new Condominium Units resulting from the addition of such Additional Land into the Project. When any such expansion becomes effective, the added land shall become part of the Tract and the Project and subject to the provisions of this Declaration and any amendment or supplement thereto.

2.06 **No Obligation to Expand or Develop.** Declarant has no obligation hereunder to add any Additional Land to the Project or to develop or preserve any portion of Additional Land in any particular way or according to any particular time schedule. No land other than the Tract, as defined on the date hereof, and land added thereto in accordance with the terms of this Article II, shall be deemed to be subject to this Declaration, whether or not shown on any Map filed by Declarant or described or referred to in any documents executed or recorded by Declarant, including **Exhibit B** to this Declaration.

2.07 **Other Annexation.** Anything herein to the contrary notwithstanding, to the extent that Declarant does not now or in the future may not own all of the Additional Land, the then owners of such Additional Land or parts thereof ("Adjoining Owners") may add all or any part of the Additional Land to the Project and subject the same to the terms of this Declaration, provided that (a) the same limitations which are imposed on Declarant under Section 2.04 of this Article II shall be applicable to Adjoining Owners; and (b) Adjoining Owners make the recordation's and comply with all the other requirements referred to in this Article II.

### ARTICLE III

#### IMPROVEMENTS

3.01 **Improvements.** The improvements included in the project are now or will be located on the Tract and all of such improvements are described on the Map, including the number of Units, the dimensions of the Units, and other significant fact relating to the Buildings, units and to the Common Areas of Facilities.

3.02 **Description of Building and Units.** There are five (5) commercial Buildings; three single story buildings, two

with eleven (11) units each, each unit has a basement and main floor level. The third building has a main floor with a possibility of two units. The remaining two buildings are three story with below grade parking. Restrooms are available to each Unit from interior entrances. Construction is wood frame with brick facing, and/or steel and masonry construction with glass facing built on a concrete foundation. The Common Areas consist of private driveways and parking areas, exterior stairways, sidewalks and landscaped area. Each Unit's size is reflected on Exhibit "A" attached hereto. Parking is open and is located adjacent to or in front of the Buildings, except for the three story buildings which have below grade parking.

- 3.03 **Description and Legal Status of Units.** The map shows the Unit number of each unit, its location and dimensions from which its areas may be determined, the Limited Common Areas, if any, which are reserved for its use, and the common Areas of the Project. Each Unit shall be legally designated and described by a Unit Number.
- 3.04 **Common and Limited Common Areas.** To the extent they exist the Common Areas contained in the Project are described and identified in Article I hereof and on the Map. Neither the ownership of undivided interests in and to the Common Areas nor the right of exclusive use of a Limited Common Area shall be separated from the Unit to which they appertain, and even though not specifically mentioned in the instrument of conveyance, such percentage of undivided interest and such right of exclusive use shall automatically accompany the conveyance of the Unit to which they relate,
- 3.05 **Conveyance Description of a Unit.** Each conveyance or contract for the sale of a Unit and every other instrument affecting title to a Unit may describe that Unit by the Unit Number shown on the Map with appropriate reference to the Map and to this Declaration, as each shall appear on the records of the County Recorder of Salt Lake County, Utah, and in substantially the following form:

Unit\_\_\_ Building\_\_\_ **SOUTH JORDAN PLAZA EAST, PHASE I PHASE 1 AN EXPANDABLE OFFICE CONDOMINIUM PROJECT**, as the same is identified in the Record of Survey Map therefor recorded in Salt Lake County, Utah as Entry No. \_\_\_ (as said Record of Survey map may have heretofore been amended or supplemented) and in the Declaration of Condominium of SOUTH JORDAN PLAZA EAST, PHASE I Phase 1, recorded in Salt Lake County, Utah as Entry No. \_\_\_ in Book \_\_\_\_, Page \_\_\_ (as said Declaration may have heretofore been amended or supplemented). **TOGETHER WITH** the undivided ownership interest in and to the Common Areas and Facilities, which is appurtenant to said Unit as more particularly described in said Declaration (as said Declaration may have heretofore been amended).

Such description will be constructed to describe the Unit together with the appurtenant undivided ownership interest in and to the Common Areas and Facilities and the same are established and identified in the Declaration and on the Map, and to incorporate all the rights incident to ownership of a Unit and all the limitations of such ownership as described in this Declaration. Each such conveyance shall be subject to all of the provisions of this Declaration.

#### ARTICLE IV

##### NATURE AND INCIDENTS OF OWNERSHIP

- 4.01 **Holding Title.** Title to a Unit shall be in fee simple and may be held or owned by any person or entity and in any manner in which title to any other real property may be held or owned in the state of Utah, including, but without limitation, joint tenancy or tenancy in common.
- 4.02 **No Separation.** No part of a Unit, nor any part of the legal rights comprising ownership of a Unit, may be separated from any other part thereof during the period of condominium ownership described herein so that

each Unit, the undivided interest in and to the Common Areas appurtenant to each Unit, and the exclusive right to use and occupy any Building Limited Common Areas or Limited Common Areas appurtenant to each Unit, shall always be conveyed, devised, encumbered, and otherwise effected only together and may never be separated from one another. Every gift, devise, bequest, transfer, encumbrance or other disposition of a Unit or any part thereof, shall constitute a gift, devise, bequest, transfer, encumbrance, or conveyance, respectively, of the entire Unit, together with all appurtenant rights created by law or by this Declaration.

- 4.03 **Membership in Association.** Each Unit owner shall be a member of the Association of Unit Owners. Membership in the Association shall be mandatory, shall be appurtenant to, and shall not be separated from the Unit to which it appertains.
- 4.04 **Undivided Interest in Common Areas.** Each Unit Owner shall have, for each Unit owned, an appurtenant, undivided ownership interest in and to the Common Areas as set forth in Exhibit "A" hereto.
- 4.05 **No Partition.** The common areas and facilities shall be owned in common by all the Owners of Units in the ratio of their undivided appurtenant interest and no unit owner may bring action for partition thereof.
- 4.06 **Use of Common Areas and Limited Common Areas.** Subject to limitations contained in this Declaration, each Unit Owner shall have the non-exclusive right to use and enjoy the Common Areas and shall have the exclusive right to use and enjoy any Limited Common areas designated herein or on the Map or inferred by the Act, which appertains to the Unit.
- 4.07 **Duty of Owner to Pay Taxes on Unit Owned.** It is understood that under the act each unit (and its percentage of undivided interest in and to the Common Areas,) in the project it is subject to separate assessment and taxation of each taxing authority and special district which has such jurisdiction over the Project for all types of taxes and assessments authorized by law, and that as a result thereof no taxes will be assessed or levied against the project as such. Accordingly, each Unit Owner will pay and discharge any and all taxes and assessments, which may be assessed against such owner relative to his Condominium Unit.
- 4.08 **Duty to Pay Association Assessments.** Each Unit Owner is obligated to pay and discharge all assessments and charges levied by the Association as set forth herein.
- 4.09 **Unit Maintenance.** Each owner shall at his own cost and expense, maintain, repair, paint, re-paint, tile, paper or otherwise finish and decorate the interior walls and trim the interior surfaces of walls, ceilings, floors, and windows and doors forming the boundaries of his Unit and all walls, ceilings, and floors, windows and doors within such boundaries. In addition to decorating and keeping the interior of his Unit in good repair and in a clean and sanitary condition, he shall be responsible for the maintenance, repair or replacement of any plumbing or lighting fixtures, or other appliances of fixtures that may be in, or connected with his Unit. Unit Owners who share Building Common Area shall comply with the provisions of this Section 4.09 in the manner set forth in Section 12.03.
- 4.10 **Maintenance of Limited Common Areas.** Each owner shall keep the Limited Common Areas designed for use in connection with his Unit in a clean, sanitary and attractive condition at all times.
- 4.11 **Division of Utility Costs.** The cost of all utility or municipal services (including, without limitation, water, sewer, garbage collection, telephone, electrical, and gas) which are separately metered (if metering is applicable to the service in question) and billed by the suppliers concerned to the individual Units shall be paid by the Owner of the respective Unit. The cost of such services which are not separately metered and billed to such individual Units but which benefit all units and the project as a whole, shall be paid by the Association as a



Common Expense. Notwithstanding anything to the contrary contained within the preceding portion of the section 4:11, in the event that any utility or municipal service is separately metered (if metering is applicable to the service in question) and billed to one or more Units and a portion of such service benefits in whole or in the part any other Unit or Common Areas, the Association shall reimburse or credit the Owner of the Unit so billed for the cost of such portion; the determination of such portion, and the costs related thereto which shall be born by the association as a common expense, shall be made by the Association in a fair and reasonable manner on the basis of the best information reasonable available at the time, and shall be final and binding upon all unit Owners

## ARTICLE V

### EASEMENTS

- 5.01 **Encroachments.** If any part of the Common Areas encroaches or shall hereafter encroach upon a Unit or Units and easement for such encroachment and the maintenance for the same shall and does exist. If any part of a unit encroaches or shall hereafter encroach upon the common areas, or upon an adjoining unit or units, an easement for such encroachment and for maintenance shall and does exist. Such encroachment shall not be considered to be encumbrances either in the common areas or the units. Encroachments referred to herein include, but are not limited to, encroachments caused by error in the original construction of the buildings on the tract, by error in the map, by settling, raising, or shifting of the earth, or by changes in position caused by repair or reconstruction of the project or any part thereof.
- 5.02 **Repair of Common Areas.** If any part of the Common Areas are or may be located within any of the Units or may be conveniently accessible only through such Unit, the owner of the other Units shall have the irrevocable right, to be exercised by the committee as their agent, to have access to each unit and to all Common Areas from time to time during such reasonable hours as may be necessary for the maintenance, repair, or replacement of any of the Common Areas located therein or accessible there from or for making emergency repairs therein necessary to prevent damage to the common areas or another Unit or Units. The Committee shall also have such rights independent of agency relationship. Damage to the interior of any part of the unit or units resulting from the maintenance, repair, emergency repair, or replacement of any of the common areas or as a result of emergency repairs within another Unit at the instance of the Committee or Unit Owners, shall be an expense of all affected unit owners and assessed proportionately; provided, that if such damage is the result of negligence of the Owner of the Unit, his guests or invitees, then such owner shall be financially responsible for all such damage. The Committee shall collect amounts owing by owner pursuant hereto by assessment pursuant to this Declaration.
- 5.03 **Management Committee.** The management committee shall have non-exclusive easements to make such use of the common areas as may be necessary or appropriate to perform the duties and functions, which it is obligated or permitted to perform pursuant to its Declaration.
- 5.04 **Utility Services.** As reflected on the Map, there is a utility easement upon, across, over and under the Common Areas for ingress, egress, installation, replacing, repairing and maintaining all utilities, including but not limited to, water, sewer, gas, telephone, electricity, and other utility services.
- 5.05 **Right of Ingress, Egress, and Support.** Each Unit Owner shall have the right to ingress and egress over, upon and across the Common Areas necessary for access to his Unit and to any Limited Common Area designated for use in connection with his Unit, and each Owner shall have the right to the horizontal, vertical and lateral

support of his and any adjoining Unit, and such rights shall be appurtenant to and pass with the title to each Unit.

## ARTICLE VI

### RESTRICTIONS

- 6.01 **Office and Commercial Use.** The Tract is zoned for Commercial Office usage pursuant to South Jordan City Ordinances and each Unit and Unit Owner are subject to uses and restrictions imposed thereby, including, but not limited to, exclusively for business and professional offices and uses commonly found in first-class commercial complexes of the nature of the Project and for no other purposes. No Units within the Project shall be used for any of the following purposes: Restaurants or food service facilities (provided, however, that a coffee room and/or lunchroom may be provided for the employees of an establishment occupying a Unit), manufacturing facilities, experimental or research laboratories.
- 6.02 **Leasing.** A Unit Owner may lease his Unit for any term evidenced by a writing executed by the Owner and the lessee/tenant and containing a specific statement that such is subject to the provisions of this Declaration. No Owner shall lease less than his entire Unit, unless first approved by the Management Committee.
- 6.03 **Restrictions Concerning Common Areas.** There shall be no obstructions of the Common Areas by the Owners, their tenants, guests or invitees without the prior written consent of the Management Committee. The Management Committee may by rules and regulations prohibit or limit the use of the common Areas and Facilities as may be reasonably necessary for protecting the interests of all the Owners or protecting the Units or the common Areas. Nothing shall be kept or stored on any part of the Common Areas without prior written consent of the Management committee, except as specifically provided herein. Nothing shall be altered on, constructed on, or removed from the Common Areas except upon consent of the Management Committee.
- 6.04 **Miscellaneous Restrictions.** Nothing shall be done or kept in any Unit or in the Common Areas or any part thereof which would result in the cancellation of the insurance of the Project or any part thereof or increase of the rate of the insurance on the Project or any part thereof over what the Management Committee, but for such activity, would pay, without the prior written consent of the Management Committee. Nothing shall be done or kept in any Unit or in the Common Areas or any Part thereof which would be a violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirements of any governmental body. No damage to, or waste of, the Common Areas or any part thereof shall be committed by any Owner or any invitee of any Owner, and each Owner Shall indemnify and hold the Management Committee and other Owners harmless against all loss resulting from any such damage or waste caused by him or his invitees. No noxious, destructive or offensive activity shall be carried on in any Unit or in the Common Areas or any part thereof, nor shall anything be done therein which may be or may become an annoyance or nuisance to any other Owner or to any person at any time lawfully occupying a Unit.
- 6.05 **No Pets or Animals.** No pet or animals of any kind or nature whatsoever shall be permitted in any Unit, in the Common Areas, or in any other part of the Project.
- 6.06 **No Violation of Rules and Regulations.** No owner shall violate the rules and regulations for the use of the Units and the Common Areas as adopted from time to time by the Management Committee.
- 6.07 **Restrictions on Alterations.** No structural alterations to any Unit shall be made by any Owner without the prior written consent of the Management Committee.

- 6.08 **Restrictions on Signs.** No signs, flags, or advertising devices of any nature, including without limitation commercial, political, informational, or directional signs or devices, shall be erected or maintained at any place on the exterior of the Building or on any other part of the Project without the prior inspection and written approval of the Management Committee, except as may be necessary temporarily to caution or warn of danger. All signage, whether original or replacement, shall be of the style and theme established by the Committee for the Project as a whole.
- 6.09 **Zoning Compliance.** Notwithstanding the provisions of Section 6.08, any sign, banner, or similar devices located on the Project shall comply with applicable zoning ordinances of South Jordan, Utah.

## ARTICLE VII

### INSURANCE

- 7.01 **Insurance and Bonds.** The Management Committee shall secure or caused to be secured and maintained at all times the following insurance and bond coverage with respect to the Project:
- a. A policy or policies of fire and casualty insurance with extended coverage endorsement, for the full insurable replacement value of the entire Project, **including Units but excluding contents of Units**. 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.
  - b. An appropriate fidelity bond coverage for any person or entity handling funds of the Management Committee, including, but not limited to, employees of a professional manager, if any, the amount of such coverage to be not less than the estimated maximum of funds, including reserves, in the custody of such person or entirety at any given time during the bond term, all as determined by the Management Committee, but in no event less than a sum equal to three months' aggregate assessments on all Units, plus reserve funds. The provisions of this section 7.01 (b) may be waived in writing signed by all Owners.
  - c. A policy or policies insuring the Committee, 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 not be less than \$500,000 for any person injured, \$1,000,000 for all persons injured in any one accident, and \$500,000 for property damage resulting from one occurrence. Such policies shall be issued on a comprehensive liability basis and shall provide across liability endorsement pursuant to which the rights of the name insured as between themselves are not prodigious.
- 7.02 **Additional Insurance Provisions.** 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 maybe customarily insured against connection with condominium projects similar to the Project in construction, nature and use.
  - b. The Committee shall have the authority to adjust losses.
  - 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 insurer's subornation rights with respect to the Committee, the Manager, the Unit Owners, and their respective servants, agents, and guests; that it can not be canceled, suspended, or invalidated due to the conduct of any member, officer, or employee of the Committee or of the Manager without prior written demand that the defect be cured; and that any "no other insurance" clause therein shall not apply with respect to insurance held individually by Unit Owners.
- e. Each Unit Owner shall, at his own expense, obtain and maintain in force at all time, policies of hazard and casualty insurance relative to his Unit's contents.
- f. The cost for the insurance required under Section 7.01 (a) to cover Units shall be allocated and assessed to Unit Owners in proportion to their respective undivided ownership interests as provided in **Exhibit A**.

## ARTICLE VIII

### DAMAGE, DESTRUCTION, AND RESTORATION

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

- a. If proceeds of the insurance maintained by the Management Committee are alone sufficient to repair or reconstruct the damaged or destroyed improvement, such repair or reconstruction shall be carried out as quickly as possible.
- b. If less than seventy-five percent (75%) of the Project's improvements are destroyed or substantially damaged, and if proceeds of the insurance maintained by the Committee are not alone sufficient to accomplish repair or reconstruction, restoration shall be carried out, and upon approval of the Unit Owners, all Owners shall be assessed in proportion to their respective undivided ownership interests pursuant to **Exhibit A**.
- c. If seventy-five percent (75%) or more of the Project's improvements are destroyed or substantially damaged, and if proceeds of insurance maintained by the Management Committee are not alone sufficient to accomplish restoration, and if the Unit Owners, within one hundred (100) days after the destruction or damage, vote to repair or reconstruct the affected improvements, restoration and assessment therefor shall be accomplished in the manner directed under subsection (b) above.
- d. If seventy-five percent (75%) or more if the Project's improvements are destroyed or substantially damaged, and if the Unit Owners do not within one hundred (100) days after the destruction or damage, vote to repair or reconstruct the affected improvements, the Management Committee shall promptly record with Salt Lake County Recorder a notice setting forth such facts. Upon the recording of such notice, the provisions of Section 57-8-31 (1) through (4) of the Act shall apply and govern the rights of all parties

having an interest in the Project or any of the Units.

- e. Any reconstruction or repair, which is required to be carried out by this Article, shall be accomplished at the instance and direction of the Management Committee. Any determination which is required to be made by the Article regarding the extent of the damage to or destruction of Project improvements, shall be made by three qualified appraisers selected by the Management Committee. The decision of any two such appraisers shall be conclusive.

## ARTICLE IIX

### MORTGAGES AND MORTGAGEE PROTECTION

- 9.01 **Notice of Mortgage.** Any Owner who mortgages his Unit shall furnish the Committee the name and address for such Mortgage, and the Committee shall maintain such information in a book entitled "Mortgages of Units." The Committee shall report to such Mortgagee and unpaid assessments due from the Owner of such Unit at the same time as the Committee makes demand on the Owner thereof for payment of such assessment. Each Mortgagee shall also be entitled to written notification from the Committee of any other default by its Owner/Mortgagor in the performance of such Owner's obligations under the term and provisions of this Declaration which shall not have been cured within thirty (30) days after written notice to such Owner/Mortgagor by the Committee specifying such default.
- 9.02 **Right to Examine.** A Mortgagee shall have the right to examine the books and records of the Association and Committee upon request and to require annual reports of the financial status of the Association.
- 9.03 **Notice of Damage.** In the event of substantial damages to or destruction of any Unit or any part of the Common Area, The Mortgagee of any Unit shall be entitled to timely written notice of any such damage or destruction. No Owner or other party shall be entitled to priority over such Mortgagees with respect to the distribution to such Unit of any insurance proceeds.
- 9.04 **Notice of Default.** Any Mortgagee is entitled to written notification from the Management Committee of any default by the Owner of such Unit in the performance of any obligation under the Declaration, which is not cured within thirty (30) days.
- 9.05 **Effect of Foreclosure on Liens.** Each Mortgagee of a Unit who comes into possession of such Unit by virtue of foreclosure of the Mortgage, or by deed or assignment in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the Unit free of any unpaid claims or assessments and charges against the Unit which accrued prior to the time such holder comes into possession of the Unit, except for claims for a pro-rata share of such assessments or charges resulting from a pro-rata reallocation of such assessments or charges to all Units in the Project, including the mortgaged Unit.
- 9.06 **General Mortgage Protection.** Unless all of the Mortgagees have given their prior written approval, neither the Management Committee nor the Association of Unit Owners shall:
  - a. By act or omission, seek to abandon or terminate the Project, except for abandonment or termination

provided by law in the case of substantial destruction by fire or other casualty or in the case of taking by condemnation or eminent domain;

- b. Except as provided in section 2.05, change the pro-rata interest or obligations of any Unit for (I) purposes of levying assessments or charges or allocating distributions of hazard insurance proceeds of condemnation awards or (ii) determining the pro-rata share of undivided ownership of each Unit in the Common Areas;
- c. Make any material amendments to the Declaration or to the Bylaws of the Association including but not limited to any amendment but for the provisions of Section 2.05, would change the percentage of undivided ownership interest of the Unit Owners in the Common Areas;
- d. By act or omission, seek to amend, partition, subdivide, encumber, sell, or transfer the Common Areas. The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Areas of the Project shall not be deemed a transfer within the meaning of this Section; or
- f. Use hazard insurance proceeds for losses to any Project property (whether to Units or to the Common Areas) for other than the repair, replacement or reconstruction of such improvements, except as provided in Article VIII or by the Act in cases of substantial loss to the Units and/or the Common Areas of the Project.

## **ASSOCIATION BYLAWS**

**PURSUANT TO SECTION 57-8-15 OF THE ACT, THE ASSOCIATIONS BYLAWS ARE HEREBY EMBODIED IN THIS DECLARATION AS ARTICLES X, XI AND XII. THE GENERAL PROVISIONS OF ARTICLE XIII OF THIS DECLARATION SHALL BE APPLICABLE TO BOTH THE DECLARATION AND BYLAWS PROVISIONS, AS THE CASE MAY BE.**

### **ARTICLE X**

#### **BYLAWS MANAGEMENT COMMITTEE**

- 10.01 **Status and General Authority.** Except as otherwise herein provided, the Condominium Project shall be managed, and maintained by the Management Committee as agent for the Association of 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 Association's 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 any other person, except for the Mortgagees if required by the terms of their Mortgage, to grant or create on such reasonable 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 Unit Owners, any amendments to the Declaration or the Map which have been approved by the vote or consent of Unit Owners necessary to authorize such

amendments as set forth in Section 13.03 of this Declaration;

- c. The Power to sue and be sued;
- d. 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. The power and authority to convey or transfer any interest in real property, so long as the vote or consent necessary under the circumstances has been obtained, including that of any Mortgagee if required by the terms of its Mortgage.
- f. 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. 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; and
- h. The power and authority to perform any other acts and to enter into any other transactions, subject to the rights of the Management Committee, which may be reasonably necessary transactions, subject to the rights of the Management Committee, 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 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 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.

10.02 **Indemnification of Management Committee.** Each member of the Management Committee shall be indemnified and held harmless by the Unit Owners against all costs, expenses, and liabilities whatsoever (excluding fraudulent and/or criminal actions) including, without limitation, attorney's fees reasonably incurred by him in connection with any proceeding to which he may become involved by reason of his being or having been a member of said Committee.

10.03 **Composition of Committee: Declarant Control.** Until the happening of the first of the following two events, the Management Committee shall be composed of three (3) members, who need not be Owners, selected solely by Declarant.

- a. The expiration of one hundred twenty (120) days following the conveyance of title to Units representing seventy-five percent (75%) of the total outstanding Association votes; or
- b. The expiration of three (3) years after the first conveyance of title to any Unit purchaser.

Provided, however, that Declarant may waive such right, in whole or in part at any time prior to the occurrence of either or both of the aforesaid events by (i) giving notice to Unit Owners of such waiver in written recordable form and (ii) filing for record in the Office of Salt Lake County Recorder a written notice of waiver of such right, whereupon Unit Owners shall promptly hold a meeting to elect a new Management Committee, it being established hereby that the

control of the Unit Owners in the Management Committee shall automatically vest thirty (30) days following the date such waiver is recorded. In the event a Committee seat which was filled by an appointee of or by Declarant becomes vacant, Declarant has the right to select a replacement member to sit on the Committee for the balance of the term associated with the vacated seat. In all other cases of vacancy 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.

- 10.04 **Management Committee: Composition, Election, and Vacancies.** Subject to the provisions of Section 10.03, above, the Committee shall be composed of three (3) members, one to be elected to a three-year term, one to a two-year term, and one to a one-year term. As member's terms expire, new members shall be elected for three-year terms. Members shall serve on the Committee until their successors are elected for three-year terms. Members shall serve on the Committee until their successors are elected. Committee must be owners or officers, directors, agents or employees of non-individual Owners. Vacancies in the Committee membership may be filled by appointment by the remaining members or member of the Committee and said appointees shall serve until the next annual meeting when their successors shall be elected for the unexpired term of the member they were appointed to replace.
- 10.05 **Rights and Duties.** The Management Committee, subject to the rights and duties of the Unit Owners, this Declaration, and the Bylaws, shall be responsible for the general management and administration of the Project. It is understood that the committee has the obligation to provide for maintenance of the Common Areas.
- 10.06 **Exterior Maintenance.** In connection with its duty to maintain Common Areas, the Committee will provide maintenance upon the exterior of the Buildings and Units, and the Common Area as follows: Paint, repair, replace, and care for roofs, gutters, downspouts, exterior building surfaces, trees, shrubs, grass, walks, driveways, parking areas, stairways and other exterior improvements except glass surfaces unless such surfaces are part of Common Areas.
- 10.7 **Right of Delegation to Manager.** The Management 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 Management Committee, be authorized to perform any of the functions or acts required or permitted to be performed by the Management Committee itself.
- 10.8 **Payment for Services, Etc.** The Management Committee may obtain and pay for the services of such personnel, as the Management Committee shall determine to be necessary or desirable for the proper operation and function of the Project, including the enforcement of this Declaration. The Committee may also hire other persons to furnish snow removal, ground maintenance and other common services to the Project. The Management Committee may also reimburse a reasonable overhead expense to Declarant during the period of its control pursuant to Section 10.03.
- 10.9 **Personal Property Ownership and Use.** The Management 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 and to the Common Areas and transferable only with the transfer of a Unit.
- 10.10 **Rules and Regulations.** The Management Committee may make reasonable rules and regulations governing the operation and use of the Common Areas and of other matters over which it has jurisdiction, which rules and regulations shall be consistent with the rights and duties established in this Declaration. The Management Committee may suspend any Owner's voting rights at any meeting of Unit Owners or for periods during which such Owner fails to comply with such rules and regulations, or with any other obligations under this Declaration. The Management 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 provided by law.

- 10.11 **Capital Improvements.** There shall be no structural alterations, capitol additions to, or capital improvements of the Common Areas without the prior approval of the Unit Owners.
- 10.12 **Extended Rights.** The Management Committee may exercise any other right or privilege given to it expressly by this Declaration 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.
- 10.13 **Architectural Control.** The Committee shall act in all matters pertaining to architectural control of the project and shall establish rules and procedures for submitting plans for approval of any proposed construction, alteration, remodeling, etc., involving the exterior of any Unit.
- 10.14 **Committee Meetings, Quorum, Board Action.** The Committee may establish its rules for meetings, whether regular or special. A majority of current Committee members shall constitute a quorum and the action of a majority of those attending a meeting at which a quorum is present shall be sufficient to constitute the action of the Committee. Action by consent shall require the unanimous consent of all current Committee members.

## ARTICLE XI

### BYLAWS

#### ASSOCIATION VOTING, MEETINGS AND OFFICERS

- 11.01 **Voting.** The Association shall have a total of 1,000 votes, which shall be allocated as set forth in Exhibit 'A' hereto. As used throughout this Declaration, the phrases "vote of the Owners", "approval of the Owners", "Owners vote", "consent of the Owners", or words - of similar impart, shall be deemed to require a majority of the total undivided interest of all Owners in and to the Common Area as allocated in said Exhibit 'A'.
- 11.02 **Multiple Ownership.** In the event there is more than one Owner of a particular Unit, the vote relating to such Unit shall be exercised as such Owners may determine between or among themselves, but in no event shall more than the total number of votes appurtenant to such Unit be cast with respect to any issue. A vote cast at any Association meeting or by written consent by any of such Owners, whether in person or by proxy, shall be conclusively presumed to be the entire vote attributable to the Unit concerned unless an objection is make at the meeting or in writing by another Owner of the same Unit, in which event no vote will be counted with respect to such unit except to determine the presence or absence of a quorum.
- 11.03 **Place of Meeting.** Meetings of the Association shall be held at such suitable place convenient to the Owners as may be designated by the Management Committee in its notice.
- 11.04 **Annual Meetings.** Annual meetings of Members of the Association shall be held each year beginning in the year 2007 on such day and time as is set forth in the notice therefore; provided, that after the first such annual meeting, a month other that in which the first annual meeting is held may be chosen if it is deemed by the Members to be more convenient. At such annual meetings there shall be elected members of the Management Committee, as needed, pursuant to the provisions of this Declaration. Financial and budget reports shall also be presented at such meetings as well as other business of the Association properly placed before each meeting.
- 11.05 **Special Meetings.** The President shall call a special meeting of the Owners as directed by a resolution of the Management Committee or upon the request of Owners holding at least thirty percent (30%) of the total votes of the Association having been presented to the committee. No business shall be transacted at a special meeting except as stated in the notice therefore unless consented to by all of the Owners, either in person or by proxy.

- 11.06 **Notice of Meetings.** The Secretary shall mail a notice of each annual or special meeting stating the purpose thereof as well as the time and place of the meeting to each Owner of record at least ten (10), but not more than twenty (20), days prior to such meeting. The mailing of notice by prepaid U.S. Mail or by delivery in person shall be considered notice served.
- 11.07 **Quorum.** Owners present at any meeting of Members duly called pursuant to notice shall constitute a quorum at all meetings, both annual and special; provided, however, that such Members collectively be entitled to cast in person or by proxy at least a majority of the total Association votes eligible to be voted.
- 11.08 **Officers.** The Association shall have a President, a Vice President and a Secretary/Treasurer each of who shall be elected by and from the Management Committee. Only the offices of Secretary and Treasurer may be filled by the same person. The officers shall be elected by the Management Committee in an organizational meeting of the Committee immediately following each annual meeting of Members at which the new Management Committee has been elected.
- a. **President.** The President shall be the chief executive officer of the Association and shall preside at all meetings of the Association and of the Management Committee. He shall have all of the general powers and duties that are usually vested in the office of president of a similar type association.
- b. **Vice President.** The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. The Vice President shall also perform such other duties as shall from time to time be imposed on him by the Committee.
- c. **Secretary/Treasurer.** The Secretary/Treasurer shall keep the minutes of all meetings of the Management Committee and the minutes of all meetings of the Association. He shall have charge of such books and records as the Management Committee may direct and he shall, in general, perform all duties incident to the office of secretary of similar type association. He shall be responsible for the deposit of all money and any 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 Management Committee.

## ARTICLE XII

### BYLAWS ASSESSMENTS

- 12.01 **Agreement to Pay Assessments.** Each Owner of a Unit, by the acceptance of a deed or contract therefore, whether or not it be so expressed in the deed or contract, shall be deemed to covenant and agree with all other Unit Owners and with the Management Committee to pay annual assessments for the purposes provided in this declaration, and special assessments for capital improvements and other matters as provided in this Declaration. Such assessments shall be fixed, established and collected from time to time in the manner provided herein by the Management Committee, which alone shall have such power to assess.
- 12.02 **Basis of Assessments.** All assessments shall be uniform in application. The total annual assessments against all Units shall be based upon a budget of advance estimates of cash requirements by the Management Committee to provide for the payment of all estimated Common Expenses growing out of or connected with the maintenance and operation of the Common Areas and/or the Project, which estimates may include among other things, expenses of management, taxes and special assessments, if any, levied by governmental authorities; premiums for all insurance which the Management Committee is required or permitted to maintain pursuant hereto; common lighting, water, repair and maintenance of the common Areas; wages for employees of the

Committee; legal and accounting fees; any deficit remaining from a previous period, creation of a reasonable contingency reserve; surplus and/or sinking fund; and any other expenses and liabilities which may be incurred by the Committee for the benefit of the Owners or by reason of this Declaration.

- 12.03 **Apportionment of Expenses.** Expenses attributable to the Common Areas and to the Project as a whole shall be apportioned among all Units in proportion to their respective undivided ownership interests as set forth in Section 2.02, above (and in Exhibit A). For purposes of apportionment of expenses, Declarant shall be deemed to own only the undivided interest in the Common Areas and Facilities based upon Units which have been completed but not yet conveyed by Declarant to a first time purchaser.
- 12.04 **Method, Payment of Assessments, Etc.** Annual assessments shall be made on a calendar year basis. The Committee shall give written notice to each Owner as to the amount of the annual assessment with respect to his Unit not less than thirty (30) days nor more than sixty (60) days prior to the beginning of the next calendar year; provided, however, that the first annual assessment shall be for the balance of the calendar year remaining after the day fixed by the Committee as the date of commencement of the assessment. Such annual assessment may be paid in twelve (12) equal monthly payments, each monthly payment shall be due and payable on the first day of each and every month, in advance, The Committee may, if it is deemed best to alleviate administrative time and effort, require that the annual assessment be paid in four (4) quarterly installments, in advance. Each monthly or quarterly payment shall bear interest at the rate of twelve percent (12%) per annum from the date it becomes due and payable if not paid within thirty (30) days after such date.
- 12.05 **Initial Fees.** In addition, each Owner shall be required to prepay at the time of Unit purchase, whether as a first time or subsequent Owner, a one-time sum equal to three times the then monthly installment of the annual assessment. Such fees shall become part of the Association's general fund to be utilized as necessary and shall be in addition to monthly installments which shall commence as to an Owner when he becomes an Owner.
- 12.06 **Maximum Annual Assessment.** Until January 1 of the calendar year immediately following the conveyance of the first Unit to an Owner, the maximum annual assessment shall be as determined and apportioned pursuant to Sections 12.02 and 12.03, above. The maximum annual assessment may, if deemed necessary by the committee, be increased each calendar year thereafter by not more than twenty-five percent (25%) above the maximum annual assessment for the previous year without the vote of Owners.
- 12.07 **Special Assessments.** In addition to the annual assessments authorized hereunder, the Management Committee may levy in any assessment year special assessments, subject to the provisions of Section 10,11, above, payable over such period as the Management Committee may determine, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of the Common Areas of the Project or any other part thereof, or for any other expenses incurred or to be incurred as provided in this Declaration. This Section shall not be construed as an independent source of authority for the Management Committee to incur expenses, but shall be construed as an independent source of authority for expenses authorized herein. Any amount assessed pursuant hereto shall be apportioned to Owners on the same basis set forth in Section 12.03, above. Notice in writing of the amount of such special assessment and the time for payment thereof shall be given promptly to the Owners, and no payment shall be due less than thirty (30) days after such notice shall have been given. A special assessment, or any portion thereof as determined by the Committee, shall bear interest at the rate of twelve percent (12%) per annum from the date it becomes due and payable if not paid within thirty (30) days after such date.
- 12.08 **Uniform Rate of Assessment.** All assessments of any category authorized herein shall be fixed at a uniform rate for all Units; provided, however, that until a Unit has been fully constructed by Declarant as a commercial condominium Unit and occupied for the first time by Declarant or sold to a third party purchaser, assessments otherwise applicable to such Unit shall not be due or payable.
- 12.09 **Liens for Unpaid Assessments.** All sums assessed to any Unit pursuant to this Article, together with interest

thereon as provided herein, and all costs and expenses incurred, with or without suit or before or after judgment, in collecting delinquent accounts or foreclosing against the Condominium Units concerned, shall be secured by a lien on such Unit in favor of the Association and, upon recording of a notice of lien by the Management Committee, shall be a lien upon the Unit prior to all other liens and encumbrances, recorded or unrecorded, except:

- a. Tax and special assessment liens on the Unit in favor of any assessing agency or special improvement district; and
- b. Liens of Mortgagees; and
- c. Any other encumbrances on the interest of the Unit Owner recorded prior to the date notice of the lien provided for herein is recorded, which by law would be a lien prior to subsequently recorded encumbrances.

To evidence a lien for sums assessed pursuant to this Article, the Management Committee shall prepare a written notice of lien setting forth the amount of the assessment, the due date, the amount remaining unpaid, the name of the Owner of the Unit, and a description of the Unit. Such notice shall be signed by or on behalf of the Management Committee and may be recorded in the Office of the County Recorder of Salt Lake County, Utah. No notice of Lien shall be recorded until there is a delinquency in payment of the assessment. Such lien may be enforced by foreclosure by the Management Committee in the same manner in which a mortgage or trust deed on real property may be foreclosed in Utah. In any such foreclosure, the Owner shall be required to pay the cost and expenses of such proceeding, the cost and expenses of filing the notice of lien, and all reasonable attorney's fees. All such costs expenses and fees shall be secured by the lien being foreclosed. The lien shall also secure, and the Owner shall also be required to pay to the Management Committee any assessments against the Unit which shall become due during the period of foreclosure. The Management Committee shall have the right and the power to bid an amount equal to its then existing lien at the foreclosure sale or other legal sale and, if it is the purchaser, to acquire, hold, convey, lease, rent, encumber, use and otherwise deal with the subject Condominium Unit as the Owner thereof.

- 12.10 **Release of Lien.** A release of notice of lien shall be executed by the Management Committee and given to an Owner for recordation at such Owners cost in the County Recorder of Salt Lake County, Utah, upon payment of all sums owed and secured by a lien which has been made the subject of a recorded notice of lien.
- 12.11 **Payment by Encumbrancer.** Any encumbrancer holding a lien on a Unit may, but shall not be required to, pay any amounts secured by the lien created by this Article, and upon such payments such encumbrancer shall be subrogated to all rights of the Management Committee with respect to such lien, including priority. The Management Committee, upon written request and evidence of such encumbrance, shall report to any encumbrancer of a Unit any unpaid assessments remaining unpaid for longer than thirty (30) days after the same shall have become due.
- 12.12 **Personal Obligation of Owner.** The amount of any annual or special assessment against any Unit shall be the personal obligation of the Owner thereof to the Association. Suit to recover money judgment for such personal obligation shall be maintainable by the Management Committee, as agent for the association, without foreclosing or waiving the lien securing the same. No Owner may avoid, diminish or abate such personal obligation by waiver of the use and enjoyment of any of the Common Areas, by abandonment of his Unit, or by making a claim for inconvenience or discomfort caused by construction or repairs, or the lack thereof, within the Project.
- 12.13 **Information Concerning Unpaid Assessments.** Upon payment of a reasonable fee not to exceed Twenty Dollars (\$20.00) and upon written request of any Owner, Mortgagee, prospective Mortgagee or prospective purchaser of a Unit, the Management Committee shall issue a written statement setting forth the amount of the

unpaid assessments, if any, with respect to such Unit; the amount of the current annual assessment and the portion thereof, if any, which has theretofore been paid, and credit for advance payments of prepaid items, including but not limited to, an Owner's share of prepaid insurance premiums. Such statement shall be conclusive upon the Management Committee in favor of persons who rely thereon in good faith.

- 12.14 **Purchaser's Obligation.** A purchaser of a Unit shall be jointly and severally liable with the seller thereof for all unpaid assessments against the Unit up to the time of the grant or conveyance, without prejudice to the purchaser's right to recover from the seller the amount paid by the purchaser for such assessments.

## ARTICLE XIII

### GENERAL PROVISIONS

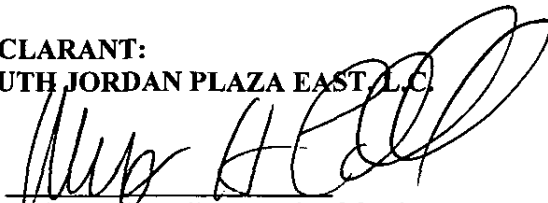
- 13.01 **Enforcement.** Each Unit Owner shall comply strictly with the provisions of this Declaration, the Bylaws, the administrative rules and regulations promulgated pursuant thereto as the same may be lawfully adopted from time to time, and with the decisions adopted pursuant to this Declaration, Bylaws and such administrative rules and regulation. Defaulting Unit Owners shall pay all costs and expenses incurred in enforcing the provisions hereof, including -reasonable attorney's fees and costs and moneys paid and due for damages or injunctive relief or both, maintainable by the Management Committee on behalf of the Association of Unit -Owners, or in a proper case, by an aggrieved Unit Owner.
- 13.02 **Party Walls.** Each wall which is built as a part of the original construction of the Units upon the Project and placed on the dividing line between Units shall constitute a party wall, and the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.
- 13.03 **Amendments.** The vote of the Owners pursuant to Section 11.01 shall be required to amend this Declaration (including the Association Bylaws set forth herein). Any amendment so authorized shall be accomplished through the recordation of the instrument executed by the Management Committee. In such instrument the committee shall certify that the vote required by this Section for amendment has occurred.
- 13.04 **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 singly or collectively hold at least the necessary percentage of undivided ownership interest.
- 13.05 **Covenants to Run With Land.** This Declaration and all the provisions hereof shall constitute covenants to run with the land, or equitable servitude's, as the case may be and shall be binding upon and inure to the benefit of Declarant, all parties who hereafter acquire any interest in a Unit or in the Project, and their respective grantees, lessees, transferees, heirs, devisees, personal representatives, 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 provisions of this Declaration and the rules, regulations, agreements, instruments, and determinations contemplated by this Declaration, and failure to comply therewith shall be grounds for an action to recover sums due for damages or injunctive relief or both, maintainable by the Committee on behalf of the Association of Unit Owners, or, 'in a proper case, by an aggrieved Unit Owner. By acquiring any interest in a Unit or In the Project, the party acquiring such interest consents and agrees to be bound by each and every provision of this Declaration.
- 13.06 **Agent for Service of Process.** Walt Parcell, whose address is 248 South State, Orem Utah 84058 is designated initially as the person to receive service of process in cases authorized by the Act; provided, however, that the Management Committee shall have the right to appoint a successor agent for service of process who shall be a resident of Utah. Such successor and his address shall be specified by an appropriate amendment filed in the

Office of the Recorder of Salt Lake County, Utah.

- 13.07 **Waiver.** No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of time lapse or the number of violations or breaches which may occur.
- 13.08 **Number and Gender.** Whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural and the plural the singular. The use of any gender shall include all genders.
- 13.09 **Severability.** If any of the provisions of this Declaration or any Article or Section, sentence, clause, phrase or word or the application thereof in any circumstances be invalidated, such invalidity shall not affect the validity of the remainder of the Declaration, and the application of any such provision, paragraph, sentence, clause, phrase or word in any other circumstance shall not be affected by such invalidity
- 13.10 **Topical Headings.** The headings appearing at the beginning of the sections or Articles of this Declaration are only for convenience of reference and are not intended to describe, interpret, define or otherwise affect the content, meaning or intent of this Declaration or any Section or provision hereof.
- 13.11 **Effective Date.** This Declaration shall take effect upon recording in the Office of the County Recorder of Salt Lake County, Utah.

IN WITNESS WHEREOF, Declarant has caused this instrument to be executed the day and year first set forth above.

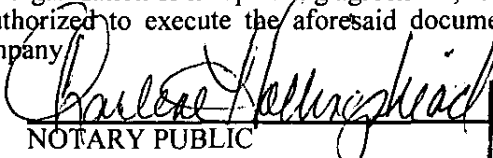
DECLARANT:  
SOUTH JORDAN PLAZA EAST, L.L.C.

By:   
Walter H. Parcell, Managing Member

STATE OF UTAH

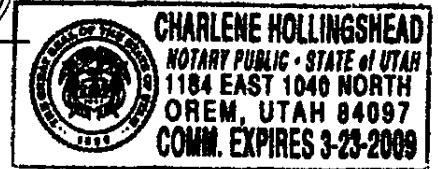
COUNTY OF UTAH

On March 1, 2007 personally appeared before me, WALTER H. PARCELL, who being by me duly sworn, did say that he is the Managing Member of SOUTH JORDAN PLAZA EAST, PHASE I, L.C., and known to me to be member(s) or designated agent(s) of the limited liability company that executed the foregoing instrument and acknowledged the aforesaid document to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the aforesaid document and in fact executed said document on behalf of the limited liability company

  
NOTARY PUBLIC

My Commission Expires: 3/23/09

Residing at: Orem, UT



IN WITNESS WHEREOF, Declarant has caused this instrument to be executed the day and year first set forth above.

IN WITNESS WHEREOF, Declarant has caused this instrument to be executed the day and year first set forth above.

DECLARANT:  
PFTS, LLC

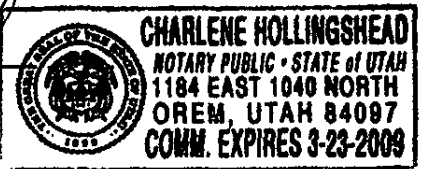
By: *[Signature]*  
Kyle E. Powell, Managing Member

STATE OF UTAH

COUNTY OF UTAH

On March 8, 2007 personally appeared before me, **KYLE E. POWELL**, who being by me duly sworn, did say that he is the Managing Member of **PFTS, LLC**, and known to me to be member(s) or designated agent(s) of the limited liability company that executed the foregoing instrument and acknowledged the aforesaid document to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the aforesaid document and in fact executed said document on behalf of the limited liability company.

*[Signature]*  
NOTARY PUBLIC



My Commission Expires: 3/23/09

Residing at: Orem, ut

IN WITNESS WHEREOF, Declarant has caused this instrument to be executed the day and year first set forth above.

**EXHIBIT "A"**

**DECLARATION OF CONDOMINIUM OF  
SOUTH JORDAN PLAZA EAST, PHASE I PHASE 1**

Percentage of voting rights and office condominium fees:

<u>Unit Number</u>	<u>Square Feet</u>	<u>Percentage of Undivided Ownership in Common Areas*</u>	<u>Number of Votes</u>
Unit 101	2208	14.58	2
Unfinished Basement	2186		
Unit 102	1278	8.44	1
Unfinished Basement	1181		
Unit 103	1276	8.43	1
Unfinished Basement	1184		
Unit 104	1271	8.39	1
Unfinished Basement	1184		
Unit 105	1270	8.39	1
Unfinished Basement	1183		
Unit 106	1270	8.39	1
Unfinished Basement	1178		
Unit 107	1270	8.39	1
Unfinished Basement	1183		
Unit 108	1275	8.42	1
Unfinished Basement	1183		
Unit 109	1276	8.43	1
Unfinished Basement	1187		
Unit 110	1276	8.43	1
Unfinished Basement	1187		
Unit 111	1471	9.72	1
Unfinished Basement	1356		



**EXHIBIT "B"**

**DECLARATION OF CONDOMINIUM  
(Including Bylaws)**

**SOUTH JORDAN PLAZA EAST, PHASE I  
South Jordan, Utah**

Real Property located in the City of South Jordan, Salt Lake County, State of Utah described as follows:

**ADDITIONAL LAND:**

OVERALL AS-SURVEYED TO NORTH FENCE LINE (PER REQUEST OF WALT PARCELL)

BEGINNING AT A POINT IN THE CENTER OF 1000 WEST STREET SAID POINT BEING SOUTH 90°12'12" WEST ALONG THE QUARTER SECTION LINE, 1359.42 FEET AND EAST 18.51 FEET FROM THE NORTH QUARTER CORNER OF SECTION 14, TOWNSHIP 3 SOUTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN AND RUNNING THENCE SOUTH 08°40'06" EAST ALONG THE CENTER LINE 1000 WEST STREET 368.631 FEET; THENCE SOUTH 89°58'51" WEST 317.688 FEET TO A POINT ON THE EAST BOUNDARY LINE OF SOFFE COMMERCIAL SUBDIVISION AS RECORDED AT THE OFFICE OF THE SALT LAKE COUNTY RECORDER; THENCE ALONG SAID BOUNDARY LINE THE FOLLOWING THREE COURSES: NORTH 00°01'09" WEST 40.877 FEET, THENCE SOUTH 89°29'48" WEST 208.074 FEET, AND SOUTH 17°01'20" WEST 182.558 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF SOUTH JORDAN PARKWAY (UDOT PROJECT # SP-D15(1)0); THENCE NORTHWESTERLY ALONG SAID NORTH RIGHT-OF-WAY LINE AND ARC OF A 27729.715 FOOT RADIUS CURVE TO THE RIGHT (CENTER BEARS NORTH 17°00'52" EAST) THROUGH A CENTRAL ANGLE OF 00°42'06" A DISTANCE OF 339.59 FEET TO A POINT OF TANGENCY; THENCE NORTH 72°17'03" WEST ALONG SAID NORTH RIGHT-OF-WAY LINE 122.289 FEET TO THE EAST LINE OF SOUTH JORDAN PLAZA OFFICE CONDOMINIUMS AS RECORDED WITH THE OFFICE OF SALT LAKE COUNTY RECORDER; THENCE NORTH 00°03'41" EAST ALONG SAID EAST LINE OF SOUTH JORDAN PLAZA OFFICE CONDOMINIUMS 373.798 FEET TO AN EXISTING FENCE LINE; THENCE ALONG SAID FENCE LINE THE FOLLOWING NINE CALLS: SOUTH 89°55'16" EAST 102.790 FEET, SOUTH 89°19'44" EAST 177.343 FEET, SOUTH 89°06'39" EAST 149.019 FEET, SOUTH 86°38'18" EAST 19.803 FEET, SOUTH 89°12'58" EAST 200.102 FEET, NORTH 89°31'16" EAST 65.953 FEET, SOUTH 88°36'25" EAST 106.184 FEET, NORTH 87°44'43" EAST 64.743 FEET, SOUTH 86°45'51" EAST 78.212 FEET TO THE POINT OF BEGINNING.

CONTAINS: 8.99 ACRES

**THIS DESCRIPTION OF THE ADDITIONAL LAND IS SET FORTH AND ATTACHED IN THIS EXHIBIT B TO THE DECLARATION SOLELY FOR PURPOSES OF IDENTIFICATION. THE DECLARATION IS NOT INTENDED AS AND SHOULD NOT BE DEEMED TO CONSTITUTE ANY LIEN, ENCUMBRANCE, RESTRICTION, OR LIMITATION UPON ANY PORTION OF THE EXPANSION LAND UNLESS AND UNTIL SUCH PORTION IS ADDED TO THE DEVELOPMENT IN ACCORDANCE WITH THE PROVISIONS OF THE DECLARATION.**