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AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
VINE STREET EAST CONDOMINIUM PROJECT
HOME OWNER'S ASSOCIATION, INC.
(INCLUDING ASSOCIATION BYLAWS)

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THIS DECLARATION OF CONDOMINIUM is made and executed this 8 day of December, 2011, by Vine Street East Condominium Project Home Owners Association, Inc., a Utah nonprofit corporation, with its principal place of business located in Murray City, State of Utah (hereinafter referred to as "**Association**"), pursuant to the provisions of the Utah Condominium Ownership Act (the "Act"), Title 57-8-1 et seq. of the Utah Code (1953), as may be amended from time to time.

RECITALS

A. The Declaration of Covenants, Conditions and Restrictions, and Bylaws for Vine Street East Condominium Project Home Owners Association, Inc., was filed January 18, 1979, as Entry No. 3225510, in the Salt Lake County Recorder's office ("Original Declaration").

B. This Amended and Restated Declaration of Condominium supersedes and replaces in its entirety that previously recorded Declaration and all amendments thereto and shall be binding on all Units in all phases within the Condominium Project.

C. Vine Street East Condominium Project Home Owners Association, Inc., is the authorized representative of the owners of certain real property known as Vine Street East Condominium Project, located in Salt Lake County, Utah, and more particularly described on **Exhibit "A"** attached hereto and incorporated herein by this reference ("Project");

D. It is intended that all Owners, guests, invitees and residents abide by these covenants, conditions and restrictions in order to maintain property values and a desirable living environment.

E. The Association controls the Project as managing agent for the Unit Owners.

F. The time to expand the Project has expired.

G. Pursuant to Section 27.1 of the Original Declaration, more than two-thirds (2/3) of the undivided ownership interest in the Common Areas has approved this Amended and Restated Declaration.

H. These covenants, conditions, restrictions, easements and limitations shall run with the said real property and shall be binding on all parties having or acquiring any right, title or interest in the described real property or any part thereof and shall inure to the benefit of each owner thereof and are imposed upon said real property and every part thereof as a servitude in favor of each and every parcel thereof as the dominant tenement or tenements.

NOW, THEREFORE, for the benefit of the Project and the Unit Owners thereof, the Association hereby executes this Declaration of Covenants, Conditions and Restrictions for Vine Street East Condominiums, for and on behalf of all of the Unit Owners.

ARTICLE I. DEFINITIONS

When used in this Declaration (including in that portion hereof headed "Recitals" and in the Bylaws attached hereto as **Exhibit "C"**) the following terms shall have the meaning indicated.

Section 1.01 Act

Act shall mean and refer to the Utah Condominium Ownership Act (Section 57-8-1, *et seq.*, Utah Code Annotated, 1953), as amended from time to time.

Section 1.02 Articles of Incorporation or Articles

Articles of Incorporation or Articles shall mean and refer to the Articles of Incorporation for Vine Street East Condominium Project Home Owners Association, Inc., on file with the Utah State Department of Commerce, as amended.

Section 1.03 Association

Association shall mean and refer to the Vine Street East Condominium Project Home Owners Association, Inc. It is intended that the Association be a Utah non-profit corporation. Failure of the Association to maintain its corporate status will not result in dissolution of the association or a waiver from renewing corporate status. Every Unit Owner shall automatically be a member of the Association. Membership in the Association shall be appurtenant to the Unit in which the Owner has the necessary interest, and shall not be separated from the Unit to which it appertains. The Board of Directors shall govern the property, business and affairs of the Association.

Section 1.04 Board of Directors or Board

Board of Directors or Board means the Board of Directors of the Vine Street East Condominium Project Home Owners Association, Inc., as it exists at any given time.

Section 1.05 Common Areas and Facilities

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

- (a) The real property and interests in real property, which this Declaration submits to the terms of the Act.
- (b) All Common Areas and Facilities designated as such in the Map.
- (c) All foundations, crawlspaces, roofs, columns, girders, beams, supports, and perimeter walls constituting a portion of or included in the improvements which comprise a part of the Project, and any areas which are designed for the use of more than one Unit.
- (d) All installations for and all equipment connected with the furnishing of Project utility services, such as electricity, gas, water, cable, and sewer.
- (e) In general all apparatus, installations, and facilities included within the Project and existing for common use.
- (f) The Project outdoor lighting, fences, landscape, sidewalks, parking spaces, swimming pool and facilities, clubhouse, Unit 72 carport, and roads.
- (g) All portions of the Project not specifically included within the individual Units.
- (h) All other parts of the Project normally in common use or necessary or convenient to its use, existence, maintenance, safety, or management.
- (i) All common areas as defined in the Act, whether or not enumerated herein.

Section 1.06 Common Expenses

Common Expenses shall mean and refer to all sums which are expended on behalf of all the Owners and all sums which are required

by the Board to perform or exercise its functions, duties, or rights under the Act, the Project Documents or the management agreement for operation of the Project.

Section 1.07 Declaration

Declaration shall mean and refer to this instrument, as amended.

Section 1.08 Eligible Mortgagee

Eligible Mortgagee shall mean and refer to a Mortgagee which has made a written request for notice in accordance with this Declaration.

Section 1.09 Family

Family shall mean and refer to family as defined by the Murray City zoning ordinance.

Section 1.10 Limited Common Areas and Facilities

Limited Common Areas and Facilities shall mean and refer to those Common Areas and Facilities designated herein or on the appropriate Map as reserved for the use of a certain Unit or Units to the exclusion of the other Units. Limited Common Areas consist of decks, patios, and driveways as indicated on the appropriate Map as Limited Common Areas. Entrances and exits of each Unit, whether or not indicated on the appropriate Map, are also Limited Common Areas.

Section 1.11 Manager

Manager shall mean and refer to the manager retained by the Board to oversee the day-to-day operations of the Association and to enforce the covenants, conditions, and restrictions applicable to this community. A Manager may also be a full-time employee/resident of the Project.

Section 1.12 Mortgage

Mortgage shall mean any mortgage, deed of trust or other security instrument by which a Unit or any part thereof is encumbered.

Section 1.13 Mortgagee

Mortgagee shall mean a holder, insurer or guarantor of a first mortgage on a Unit or the beneficiary, insurer or guarantor of a first deed of trust on a Unit.

Section 1.14 Percentage Interest

Percentage Interest shall mean and refer to the undivided percentage interest of each Unit in the Common Areas as set forth in **Exhibit "B"** (P. 32) attached hereto.

Section 1.15 Person

Person shall mean and refer to a natural person, corporation, partnership, trust, limited liability company, or other legal entity.

Section 1.16 Project

Project shall mean Vine Street East Condominium Project Home Owners Association, Inc., as shown on the Map.

Section 1.17 Project Documents

Project Documents shall mean and refer to the Declaration of Condominium, Bylaws, Articles of Incorporation, the Map and Rules and Regulations.

Section 1.18 Property or Project

Property or Project shall mean and refer to the land, described in **Exhibit "A"** (Pp. 29-31), the buildings, all improvements and the structures thereon, all easements, rights and appurtenances belonging thereto, and all articles of personal property belonging to the Association intended for use in connection therewith.

Section 1.19 Map

Map shall mean and refer to the Plat Maps originally filed with the county Recorder. A copy of the Map may be found in the Association's office.

Section 1.20 Reasonable Notice

Reasonable Notice means written notice which is hand delivered to the unit at least

24 hours prior to the proposed entry into a Unit.

Section 1.21 Resident

Resident shall mean and refer to any person living or staying at the Project. This includes but is not limited to all lessees, renters, tenants, and the family members of Owners.

Section 1.22 Size

Size shall mean and refer to the square footage of each Unit.

Section 1.23 Unit

Unit means and refers to a separate physical part of the Property intended for independent use, consisting of the garage, rooms, or spaces located in a building. Units are shown in the appropriate Map. Mechanical equipment, ducts, pipes, and appurtenances located within any one Unit or located without said Unit but designated and designed to serve only the Unit, such as appliances, electrical receptacles and outlets, air conditioning compressors and other air conditioning apparatus, fixtures and the like, shall be considered part of the Unit, as shall all decorated interiors, all surfaces of interior structural walls, floors and ceilings, windows, and window frames, doors and door frames, and trim, consisting of, *inter alia* and as appropriate, wallpaper, paint, flooring, carpeting and tile. All pipes, wires, conduits, or other public utility lines or installations constituting a part of the Unit and serving only the Unit, and any structural members or any other property of any kind, including fixtures and appliances within any Unit, which are removable without jeopardizing the soundness, safety, or usefulness of the remainder of the building within which the Unit is situated shall be considered part of the Unit.

Section 1.24 Unit Number

Unit Number shall mean and refer to the number, letter, or combination thereof which designates a Unit on the Map.

Section 1.25 Unit Owner or Owner

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

ARTICLE II. SUBMISSION

Section 2.01 Property Submitted

There is hereby submitted to the provisions of the Act, as the Property initially associated with the Vine Street East Condominium Project Home Owners Association, Inc., the real property situated in Salt Lake County, State of Utah, particularly described in **Exhibit "A"** (Pp. 29-31) attached hereto and incorporated herein by this reference; subject to the easements, reservations and other provisions set forth in said **Exhibit "A."**

ARTICLE III. MEMBERSHIP AND VOTING RIGHTS

Section 3.01 Membership

Every Owner shall be a Member of the Association. Membership in the Association shall be mandatory, shall be appurtenant to the Unit and shall not be separated from the Unit to which it appertains.

Section 3.02 Voting Rights

Voting rights shall be determined by a Unit Owner's respective percentage of ownership interest in the Common Areas as indicated in **Exhibit "B"** (P. 32) to this Declaration.

Section 3.03 Multiple Ownership Interests

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 among themselves. A vote cast at any Association meeting by any of such Owners, whether in person or by proxy, shall be conclusively presumed to be the vote attributable to the Unit concerned unless an objection is immediately made by another Owner of the same Unit. In the event such an objection is made, the vote involved shall not be counted for any purpose whatsoever other than to determine whether a quorum exists.

Section 3.04 Record of Ownership

Every Owner shall promptly cause to be duly filed of record, the conveyance document (or in the case of contract buyer, a copy of the sales contract) of his Unit. The Association may request an Owner to provide proof of conveyance.

ARTICLE IV. ENFORCEMENT

Section 4.01 Compliance

Each Resident of a Unit shall comply with the provisions of the Project Documents and any applicable statute. Failure to comply therewith shall be grounds for sanctions (i.e., fines) and/or an action or suit maintainable by the Association or an aggrieved Owner.

Section 4.02 Remedies

The Association shall have the right to take the following actions to correct violations of any provisions of the Project Documents. Such right shall be concurrent with and in addition to any rights under law or the Project Documents:

- (a) After fifteen (15) days written notice, to enter any Unit and to abate and remove, at the expense of the defaulting Owner, any structure, thing, or condition that may exist in violation of the Project Documents, and the Association shall not be deemed guilty of any manner of

trespass pursuant to said action;

- (b) To enjoin, abate, or remedy such thing or condition by appropriate legal proceeding;
- (c) To levy reasonable fines pursuant to a schedule of fines adopted by resolution of the Board, a copy of which has been delivered to each Owner in accordance with the Bylaw provisions for notice and is contained in the Community Rules;
- (d) If collectively metered and billed, to terminate the right to receive utility services paid for out of assessments or, except for the right to an assigned parking space, to terminate the right of access to and use of recreational and service facilities of the Association until the correction of the violation has occurred;
- (e) The right of the Association to suspend the voting rights of the Owners, after notice and a hearing, for any infraction of any of the published rules and regulations of the Association or of this Declaration until such time as the infraction is cured; or
- (f) Bring suit or action against the Owner on behalf of the Association and other Owners to enforce the Project Documents.

Section 4.03 Action by Owners

Subject to any limitation imposed under the Project Documents or Utah law, an aggrieved Owner may bring an action against such other Owner or the Association to recover damages or to enjoin, abate, or remedy such thing or condition.

Section 4.04 Injunctive Relief

Nothing in this section shall prevent an Owner, the Association, or other interested party from resorting to a court of competent

jurisdiction in those instances where injunctive relief may be appropriate.

Section 4.05 Hearings

The Board shall, by resolution, promulgate procedures for hearings. When a hearing is requested or required, the hearing shall be conducted in accordance with the Board's policy on hearings.

ARTICLE V. IMPROVEMENTS

Section 5.01 Description of Improvements

The improvements included in the Project are now located on the Property described in said **Exhibit "A,"** and all such improvements are described on the appropriate Map. The improvements include a clubhouse; outdoor swimming pool; open space; private roadways; fences; 32-two-bedroom and 35-three-bedroom single level condominiums, each with approximately 300 square feet of patio and a two-car garage; 3-three-bedroom single level condominiums, each with approximately 300 square feet of patio and wood deck, and a two-car garage; 1- three-bedroom single level condominium with approximately 300 square feet of patio, two concrete patio slabs, and a two-car garage; 1-one-bedroom single level condominium.

The buildings are composed of the following materials: wood frame with load and non-load bearing walls studded with wood; all floors composed of steel beams or with wooden joists covered with plywood and/or concrete; wooden truss roofs with plywood; roofs surfaced with asphalt shingles; rain gutters; interior walls surfaced with drywall; and exterior surfaced with brick, including vinyl on chimneys, step-ups and eaves.

Section 5.02 Description and Legal Status of Units

The Map shows the Units and building designation, their locations, dimensions from which its area may be determined, the

Limited Common Areas, and the Common Areas. All Units shall be capable of being independently owned, encumbered, and conveyed.

Each conveyance or installment contract for the sale of a Unit, and every other instrument affecting title to a Unit, may describe that Unit by the number shown on the 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, State of Utah, and in substantially the following form:

"Unit ____ shown in the Map for the Vine Street East Condominiums Project Home Owners Association, Inc., appearing in the records of the Salt Lake County Recorder, as Entry No. ____, Map No. ____ and as identified and described in the Declaration of Condominium, as amended and supplemented, appearing as Entry No. ____, of the official records of Salt Lake County Recorder, together with an undivided interest in and to the Common Areas appertaining to said Unit as established in said Declaration, as amended, and Map. This conveyance is subject to the Provisions of the aforesaid Declaration of Condominium for Vine Street East Condominiums, including any amendments thereto."

Section 5.03 Contents of Exhibit "B"

Exhibit "B" to this Declaration furnishes the following information with respect to each Unit: (a) The Unit Designation, (b) The square footage of each Unit, and (c) The percentage interest of undivided ownership interest in the common areas which is appurtenant to the Unit. With respect to Percentage Interest, to avoid a perpetual series of digits and to obtain a total of one hundred percent (100%), the last digit has been adjusted and rounded up or down to a value that is most nearly correct.

The percentage of ownership in the Common Areas shall be used for all purposes, including, but not limited to, voting and assessment for Common Expenses.

Section 5.04 Computation of Percentage Interests

The proportionate share of the Unit Owner's interest in the Common Areas of the Project is based on the square footage of Units within the Project. To calculate the percentage interest, divide the square footage of the Unit by the square footage of all Units.

Section 5.05 Computation of Percentage Interest after Partial Condemnation or Destruction

After partial condemnation or destruction of the Project, the proportionate share of the Unit Owner's interest in the Common Areas shall be based on the square footage of Units remaining within the Project. To calculate the percentage interest, divide the square footage of the Unit by the square footage of all remaining Units.

ARTICLE VI. COMMON AREAS; UNIT MAINTENANCE

Section 6.01 Common and Limited Common Areas

The Common Areas contained in the Project are described and identified in Articles I and II of this Declaration and the Map.

Neither the Percentage Interest nor the right of exclusive use of a Limited Common Area shall be separated from the Unit to which it appertains; and, even though not specifically mentioned in the instrument of transfer, the Percentage Interest and such right of exclusive use shall automatically accompany the transfer of the Unit to which they relate.

Each Owner shall, at his own cost, maintain, repair, and replace the Limited Common Areas assigned to his Unit. Each owner is responsible for maintenance, repair and replacement of patio, driveway, and all damages caused by removal of trees in the courtyard. Original design of any repairs or replacements must be retained.

The use of the Common Areas shall be limited to the Owners in residence and to their tenants in residence, and to their guests, invitees and licensees. The use of each of the Limited Common Areas shall be restricted to the Owner of the Unit to which it is appurtenant, to his tenants in residence, and to his guests, invitees and licensees.

The Project Documents shall govern the use of the Common Areas and Limited Common Areas.

Notwithstanding any other provision of this Declaration, any Limited Common Area to which a condominium Unit has sole access shall be for the exclusive use of the Owner of such condominium Unit.

Section 6.02 Unit Maintenance

Each Owner shall, at his own cost and expense, maintain, repair, paint, re-paint, tile, wax, paper, or otherwise refinish and decorate the interior surfaces of the walls, ceilings, and floors of his Unit and all walls, ceilings, floors, windows and doors within such boundaries. The Owner shall also maintain the exterior doors, garage doors, garage floor, and windows in compliance with the Association rules.

In addition to decorating and keeping the interior of their Units in good repair and in a clean and sanitary condition, the Owner shall be responsible for the maintenance, repair, or replacement of any plumbing fixtures, water heater, heating equipment, air conditioner and condenser, lighting fixtures, refrigerator, dishwasher, disposal

equipment, range, or other appliances or fixtures that may be in or connected with his Unit. The Owner shall also maintain, repair, or replace any pipe, duct, fire suppression line, or conduit exclusively servicing his Unit. Each Unit shall be maintained so as not to detract from the appearance of the Project and so as not to adversely affect the value or use of any other Unit. Exterior doors and windows shall be maintained by the Owner but must comply with styles, shapes and colors approved by the Board.

ARTICLE VII. GENERAL AND SPECIFIC EASEMENTS

Section 7.01 Easement for Encroachment

If any part of the Common Areas encroaches or shall hereafter encroach upon a Unit or Units, an easement for such encroachment and for 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 the maintenance shall and does exist. Such encroachments shall not be considered to be encumbrances either to the Common Areas or to the Units. Encroachments referred to herein include, but are not limited to, encroachments caused by error in the original construction of the building(s) on the tract, by error in the appropriate Map, by settling, rising or shifting of the earth, or by changes in position caused by repair or reconstruction of the Project or any part thereof.

Section 7.02 Access to Units and Common Areas

Some of the Common Areas are or may be located within the Units or may be conveniently accessible only through the Units. The Association shall have an irrevocable right of access, to be exercised by the Board or its agent after Reasonable Notice, to each Unit and all Common Areas

as may be necessary to inspect, maintain, repair, replace, or remove violations. In the event of an emergency, as determined by the Board, Reasonable Notice is not required.

Section 7.03 Emergency Repair Damage

Damage to the interior of any part of a 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 insistence of the Board, shall be the responsibility of the Association. If such damage is the result of negligence of the Owner of a Unit, then such Owner shall be financially responsible for all such damage. Such damage shall be repaired, and the property shall be restored substantially to the same condition as existed prior to the damage. The Board shall collect amounts owing by Owners pursuant hereto by assessment.

Section 7.04 Right of Ingress, Egress

Each Resident, guest or invitee, shall have the right to ingress and egress over, upon and across the Common Areas, and to the Limited Common Areas designated for use in connection with his Unit, and such rights shall be appurtenant to and pass with the title to each Unit.

Section 7.05 Pipes, Ducts, Cables, Wires, Conduits, Public Utility Lines, Support Structures, and Other Common Facilities Located Inside of Units

Each Unit Owner shall have an easement in common with the Owners of all other Units to use all pipes, wires, ducts, cables, conduits, public utility lines and other Common Facilities located in any of the other Units and serving his Unit.

Each Unit shall be subject to an easement in favor of the Owners of all other Units to use the pipes, ducts, cables, wires, conduits, public utility lines and other Common

Facilities serving such other Units and located in such Unit.

Every portion of a Unit which contributes to the structural support of the building shall be burdened with an easement for the benefit of all other Units and the Common Areas.

Section 7.06 Board and Manager Easement

The Board and Management Company shall have non-exclusive easements to use the Common Areas as appropriate to perform their duties and functions pursuant to the Project Documents.

Section 7.07 Easement for Utility Services

There is hereby created a blanket easement upon, across, over and under the property described in "Exhibit A" for ingress, egress, installation, replacing, repairing and maintaining all utilities, including but not limited to, water, sewers, gas, telephones, electricity, data, video, cable, and other utility services.

ARTICLE VIII. USE RESTRICTIONS

Section 8.01 Use of Units, Residential Use

Each of the Units in the Project is limited to residential use only. Each Unit and Owner is subject to the uses and restrictions imposed by such restrictions (including any parking restrictions).

Section 8.02 Prohibited Activities

There shall be no obstructions of the Common Areas by the Owners, their tenants, guests or invitees. The Board may, by Rules and Regulations, prohibit or limit the use of the Common Areas as may be reasonably necessary for protecting the interests of all the Owners or protecting the Units or the Common Areas.

Owners shall not keep or store things on any part of the Common Areas. Owners may not alter, construct on, or remove anything from the Common Areas without Association approval.

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 requirement of any governmental body. No damage to, or waste of, the Common Areas, Limited 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 Board and the 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 residing in the Project.

Section 8.03 Alteration of Insurance

Nothing shall be done or kept in any Unit or in the Common Areas which would result in the cancellation of the insurance on the Project or any part thereof or increase the rate of the insurance on the Project or any part thereof.

Section 8.04 Rules and Regulations

No Resident shall violate the Rules and Regulations for the use of the Units and of the Common Areas and the Limited Common Areas as adopted from time to time by the Board. Said Rules and Regulations shall be adopted and enforced pursuant to the terms of Utah's Condominium Act, as amended.

Section 8.05 Structural Alterations

No Owner shall make any structural alterations to a Unit. However, Owners may install up to three skylights as long as they have written approval from the Board. Skylights may only be installed by a licensed, insured contractor. All required permits and inspections shall be performed by the appropriate governmental entity. If a skylight is installed, the Owner and his successors assume responsibility for the maintenance, repair, replacement, and any residual damage caused by the skylights.

Section 8.06 Signs

No signs whatsoever shall be erected or maintained in the Common Areas, with the exception of regulatory signs. "For Sale" signs may only be displayed on the Unit's gate. Informational boxes may be placed next to the garage.

Section 8.07 Pets

Pets are allowed and shall be regulated by rules and regulations promulgated by the Board. No more than two (2) pets are allowed per unit. Pets may not exceed 25 pounds each.

If a pet owner violates any of the pet rules and regulations, the Board shall have the express authority to issue citations or levy assessments and collect these by judgment, lien or foreclosure. In extreme cases, the Board may require the Owner, Resident or Tenant to remove their pet from the premises.

Section 8.08 Storage and Parking of Vehicles

No truck larger than 1-ton shall be parked in the complex. No trailer or recreational vehicle, including but not limited to campers, boats, motor homes, off-road vehicles, or similar such vehicles and equipment (hereinafter collectively referred to as "Recreational Vehicles") shall be permitted on the complex except to load and unload.

Visitors may only park such Recreational Vehicles temporarily in accordance with the Rules and Regulations in areas designated for parking.

No Owners or occupants shall repair or restore any motor vehicle of any kind in the Common Area or Limited Common Area, except for emergency repairs, and then only to the extent necessary to enable movement thereof to a proper repair facility.

Motor Vehicles parked in unauthorized areas, or in violation of the parking rules and regulations established by the Board, may, at owner's expense, be towed away. The Board shall be required to follow all municipal ordinances and codes regarding towing enforcement prior to towing a vehicle.

All driveways and parking spaces shall be used for the purpose of parking operable and licensed motor vehicles.

Section 8.09 Leasehold Restrictions

Leases shall be subject to the following restrictions so long as the property shall be owned in accordance with the terms and conditions of this Declaration and the Act:

- (a) Units may be rented or leased only to a single Family as defined by the Murray City Code. Dormitory, hotel, hostel, or similar type rentals are strictly prohibited. A unit may be leased for no less than 6 months. Subleases or subrentals are not allowed.
- (b) All leases and lessees shall be subject to the provisions of the Act and the Project Documents. Any owner who leases his Unit shall be responsible for assuring the Residents' compliance with the Act and the Project Documents.
- (c) The leasing of Units shall comply with this Section. "Leasing" means granting the right to use or occupy a Unit to a non-owner while no Owner occupies

the Unit as his primary residence.

(d) Notification/Lease Agreements – Required Terms. All Owners shall use and provide the Board with a copy of a written lease agreement. All lease agreements shall contain terms subjecting the resident to the terms, conditions, and restrictions of the Project Documents, as amended. The Owner shall provide the tenant or lessee with a copy of the Project Documents then in effect and shall take a receipt for delivery of the Project Documents. In the event the Project Documents are amended, revised, changed, or supplemented by the Association, the Owner shall provide the tenant or lessee with a copy of the amendments, revisions, changes, or supplements within 10 calendar days of adoption by the Association, its Board, or its membership.

(e) Violations of Rental Restrictions. If an Owner fails to use and submit a copy of a written lease agreement with the required terms and leases his Unit, the Board may assess fines against the Owner and the Unit in an amount to be determined by the Board pursuant to a schedule of fines adopted by the Board. Regardless of whether any fines have been imposed, the Board may seek any available legal or equitable remedies, including but not limited to, an action to terminate the lease agreement and eviction of any tenant.

(f) Failure to Take Legal Action. Failure by an Owner to take legal action against their Resident who is in violation of the Act or Project Documents within 10 days after delivery of written demand to do so from the Board, shall entitle the Association to take any and all such action for and in behalf of said Owner and as his agent, including but not limited to the institution of legal proceedings on behalf of such Owner

against his Resident for eviction, injunctive relief or damages. Neither the Association nor its agents shall be liable to the Owner or Resident for any legal action commenced under this Section that is made in good faith.

(g) Recovery of Costs and Attorney Fees; Owner Liable. The Association shall be entitled to recover from the offending Owner its costs and attorney's fees incurred for enforcement of this Subsection, regardless of whether any lawsuit or other action is commenced. The Association may assess such costs and attorney's fees against the Owner and the Unit as an assessment pursuant to this Declaration. Additionally, the Owner shall be liable for all fines, assessments, or other penalties levied due to violations of their tenant. The Owner shall be personally liable for any violations caused by their tenant. Any assessments, fines or penalties levied under this Section shall be an Individual Assessment.

(h) Requesting Unpaid Assessments from Tenant. In the event that a unit is leased, and the Owner fails to pay their regular, special, or any other assessment, the Board may demand that the tenant pay their rent to the Association until the delinquent assessments are paid.

Section 8.10 Timeshares

Timeshares and time-sharing of Units within the Project is prohibited, and under no circumstances shall any condominium be owned or used for time sharing, including but not limited to a "time period unit" as that term is defined in Utah Code Ann. § 57-8-3(26), as amended.

Section 8.11 Aerials, Antennas and Satellite Dishes

It is the intent that this policy not be inconsistent, incongruent or in conflict with

applicable local, state and federal legislation. Aerials, antennas and satellite dishes shall be prohibited within the Project, except (a) antennas or satellite dishes designed to receive direct broadcast satellite service which are one meter or less in diameter; (b) antennas or satellite dishes designed to receive video programming services via multipoint distribution services which are one meter or less in diameter or diagonal measurement (hereafter referred to as "Permitted Devices"). These devices shall be located only within the Unit or Limited Common Area.

Notwithstanding the foregoing, should an Owner determine that a Permitted Device cannot be located in compliance with the above guidelines without precluding reception of an acceptable quality signal, then the Owner may install the device in the least conspicuous alternative location in the residential unit or appurtenant limited common area where an acceptable quality signal can be obtained.

The Board may adopt rules establishing a preferred hierarchy of alternative locations and require screening of all Permitted Devices, so long as such rules do not unreasonably increase the cost of installation, maintenance, or use of the Permitted Device. Anything to the contrary notwithstanding, no Permitted Device may be located in the Common Area. Permitted Devices may only be installed in a Unit or on Limited Common Area.

Section 8.12 Smoking

Smoking on the Common Areas of the Project is prohibited. Owners and their guests may smoke on Limited Common Areas, but must clean up after themselves.

Owners shall be fined for smoking violations according to the fine schedule adopted by the Board related to smoking violations.

The Association will, on a limited basis, address nuisance complaints regarding smoking in the Units and Limited Common Areas. Refer to Community Rules for further information.

Section 8.13 Open Fires

Fireworks are prohibited in Common Areas and Limited Common Areas. Open flames are subject to Community Rules.

Section 8.14 Firearms and Projectile Weapons

The use of firearms, airsoft guns, BB guns, pellet guns, archery equipment, or any other projectile weapon, however powered, is prohibited within the Project.

Section 8.15 Hot Tubs and Spas

Hot tubs and spas are prohibited inside the Units, in Common Areas and in Limited Common Areas.

Section 8.16 Vegetation

Owners are not allowed to plant fruit-bearing trees in Limited Common Areas. Vegetable gardens are not allowed in Common Areas.

ARTICLE IX. BOARD: POWERS, COMPOSITION

Section 9.01 Status and General Authority of Board

Notwithstanding anything herein contained to the contrary, the Condominium Project shall be managed, operated, and maintained by the Board exclusively as agent of, and in the name of, the Association and any act performed by the Board pursuant to the Project Documents, as the same may be amended from time to time, shall be deemed to be performed by the Board for and on behalf of the Association as its agent. The Board shall have, and is hereby granted, the following authority and powers:

- (a) The authority, without the vote or

consent of the Unit Owners or of any other person(s), to grant or create, on such terms as it deems advisable, utility and similar easements over, under, across and through the Common Areas and Facilities.

- (b) The authority to execute and record, on behalf of all Unit Owners, any amendment to the Declaration or Map which has been approved by the vote or consent necessary to authorize such amendment.
- (c) The power to sue and be sued.
- (d) The authority to enter into contracts which in any way concern maintenance of the Project.
- (e) The power and authority to convey or transfer any interest in real property, which must be authorized by a 100% vote of the Unit Owners.
- (f) The power and authority to lease small portions of the Common Areas to Owners as the Board sees fit.
- (g) The power and authority to purchase, otherwise acquire, and accept title to, any interest in real property so long as such action has been authorized by a 100% vote of the Unit Owners.
- (h) The authority to promulgate such reasonable Rules and Regulations and procedures as may be necessary or desirable to aid the Board in carrying out any of its functions or to insure that the Project is maintained and used in a manner consistent with the interests of the Unit Owners, and the authority to levy fines for infractions thereof, including, but not limited to, promulgating rules.
- (i) The power and authority to perform any other acts and to enter into any other transactions which may be

reasonably necessary for the Board to perform its functions as agent of the Association.

Any instrument executed by the Board that recites facts which, if true, would establish the Board'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.

The Board may carry out, through a project manager, any of its functions which are properly the subject of delegation. Any manager so engaged shall be an independent contractor and not an agent or employee of the Board, shall be responsible for managing the Project for the benefit of the Board and the Unit Owners, and shall, to the extent permitted by law and the terms of the agreement with the Board, be authorized to perform any of the functions or acts required or permitted to be performed by the Board itself. Any agreement for professional management of the Project which may be entered into by the Board or the Association shall call for a term not exceeding three (3) years and shall provide that, for cause, such management agreement may be terminated by the Board or by the Association upon not in excess of ninety (90) days written notice.

Section 9.02 Composition of Board and Selection Thereof

The Board shall be established and elected in accordance with the Bylaws.

ARTICLE X. ASSESSMENTS

Section 10.01 Covenant for Assessment

Each Owner, by acceptance of a deed hereafter conveying any such Unit to it, whether or not so expressed in the deed or

other conveyance, shall be deemed to have covenanted and agreed to pay the Association the following types of assessments:

- (a) Annual assessment (the "Annual Assessment") as provided in Section 10.02 below.
- (b) Special assessments ("Special Assessments") as provided in Section 10.05 below.
- (c) Emergency assessments ("Emergency Assessments") as provided in 10.06 below.
- (d) Individual assessments ("Individual Assessments") as provided in Section 10.07 below.

Assessments shall be established and collected as provided in this article.

No Owner may exempt himself from liability for Assessments by abandonment of any Unit owned by such Owner.

Section 10.02 Annual Budget and Assessment

- (a) Annual Budget. The Board shall prepare, or cause the preparation of, an annual budget for the Association which shall provide, with or without limitation, for the maintenance of the Project and for the administration, management and operation of the Association. If the Board fails to adopt an annual budget, the last adopted budget shall continue in effect.
- (b) Determination of Annual Assessment.

- (i) The Board of the Association shall fix the amount of the Annual Assessment against each Unit for each assessment period at least thirty (30) days in advance of the beginning of the period. Written

notice of the Annual Assessment shall be sent to all members of the Association at least thirty (30) days in advance of the beginning of any assessment period.

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

Section 10.03 Apportionment of Assessments

Assessments shall be apportioned as follows:

- (a) Annual, Special and Emergency Assessments. Annual, Special and Emergency Assessments shall be apportioned among all the Units on the basis of their respective appurtenant percentages of undivided ownership interest as set forth in **Exhibit "B"** hereto.
- (b) Individual Assessments. Individual Assessments shall be apportioned exclusively against the Units benefited or to which the expenses are attributable as provided in Section 10.07.
- (c) Payment of Assessments. Upon majority vote of the undivided interest in the common areas, installments of Annual Assessments may be levied and collected on a quarterly, semi-annual or annual basis rather than on a monthly

basis. Any member may prepay one or more installments of any assessment levied by the Association, without premium or penalty.

Section 10.04 Personal Obligation and Costs of Collection

Assessments imposed under this Declaration, together with interest at a rate to be established by resolution of the Board, not to exceed the maximum permitted by law, and costs and reasonable attorney's fees incurred or expended by the Association in the collection thereof, shall also be the personal obligation of the Owner holding title to any Unit at the time when the assessment became due.

The personal obligation for any delinquent Assessment, together with interest, costs and reasonable attorney's fees, however, shall not pass to the Owner's successor or successors in title unless expressly assumed by such successor or successors.

Section 10.05 Special Assessments

In addition to the Annual Assessments authorized in this Article, the Association may levy, in any assessment year, a special assessment ("Special Assessment"), applicable for that year only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of the exterior of the Units or the landscaping, provided that such assessment shall first be approved by fifty-one percent (51%) of the votes of members of the Association voting in any manner authorized in the Bylaws. Special assessments must be banked in a separate account.

Section 10.06 Emergency Assessment

If the Annual Assessments levied at any time are, or will become, inadequate to meet all expenses incurred under this Declaration for any reason, including nonpayment of

any Owner's assessments on a current basis, the Board shall, as soon as practicable, determine the approximate amount of the inadequacy and adopt a resolution which establishes a supplemental budget and levies the additional assessment ("Emergency Assessment"). The resolution shall specify the reason for the Emergency Assessment.

Any Emergency Assessment in the aggregate in any fiscal year that would exceed an amount equal to ten percent (10%) of the budgeted expenses of the Association for the fiscal year may be levied only if approved by fifty-one percent (51%) of the Owners voting in person or by proxy, in any manner authorized in the Bylaws: Emergency Assessments shall be apportioned as provided in Section 10.03 above.

Section 10.07 Individual Assessments

Any expenses benefiting or attributable to fewer than all of the Units may be assessed exclusively against the Units affected or benefited ("Individual Assessment"). Individual Assessments shall include, but are not limited to:

- (a) Assessments levied against any Unit to reimburse the Association for costs incurred in bringing the Unit or its Owner into compliance with the provisions of this Declaration or Rules and Regulations of the Association and for fines or other charges imposed pursuant to this Declaration for violation of the Project Documents.
- (b) Any reasonable services provided to an unimproved or vacant Unit by the Association due to an Owner's failure to maintain the same in order to protect the health, safety and welfare of adjoining Unit owners and the Association in general.

- (c) Reinvestment fees or transfer fees.
- (d) Units with decks or patios extending onto Common Areas shall pay an Individual Assessment each month. As of the date of this Declaration, the Units required to pay the Individual Assessment under this paragraph are Units 51, 52, 53, and 54. The obligation to pay the Individual Assessment shall terminate when the deck or patio is removed from the Common Area.

Section 10.08 Nonpayment of Assessments

Any assessment or portion thereof not paid within thirty (30) days after the due date, which shall be established by resolution of the Board:

- (a) Shall be delinquent and shall bear interest from the due date at the rate established by resolution of the Board, not to exceed the maximum rate permitted by law, and
- (b) Shall be subject to a monthly late charge in such an amount as determined to be reasonable by the Board in their discretion and evidenced by Board resolution.

Section 10.09 Lien for Assessments

All Assessments imposed and not timely paid shall be a charge and continuing lien upon each of the Units against which the assessment is made in accordance with the terms and provisions of this Article X and shall be construed as a real covenant running with the land.

Section 10.10 Subordination of Lien to Mortgages

The lien of the Assessments provided for in this article shall be subordinate to the lien of any first mortgages or deeds of trust now or hereafter placed upon the Unit subject to assessment, except as provided in the

following paragraph of this section.

The sale or transfer of any Unit pursuant to mortgage or deed of trust foreclosure, or any proceeding in lieu thereof, shall extinguish the lien for assessments which became due prior to such sale or transfer. Such sale or transfer shall not relieve the Unit from liability for any assessments thereafter becoming due, nor from the lien of any future assessment.

Section 10.11 Enforcement of Lien

The Association may establish and enforce the lien for any assessment, including Annual, Special, Individual or otherwise, pursuant to the provisions of this Declaration. The lien is imposed upon the Unit against which the assessment is made. The lien may be established and enforced for damages, interest, costs of collection; late charges permitted by law, and attorney's fees provided for in this Declaration or by law or awarded by a court for breach of any provisions of the Project Documents. The lien may be foreclosed in the same manner as either deeds of trust, mortgages, or in any other manner permitted by Utah law. The collection remedies stated herein are cumulative and the use of one does not preclude the use of other remedies.

Section 10.12 Suspension of Voting Rights

The Board shall have the right to suspend any Owner's right to vote during any period of time that the Owner carries a past due assessment balance.

Section 10.13 Reserve Account

The Association shall establish and maintain a Common Area Reserve Account. Annual funding of the Reserve Account shall be no less than 5 percent (5%) of the annual operating budget for the current year. Funds in the Reserve Account shall be expended only for long-term capital improvements and for the payment of

unforeseen expenses caused by extraordinary events of an unpredictable nature and shall not be appropriated by the Board of Directors for expenses allocated to the annual budget. Reserve Account funds shall only be invested in Federally insured accounts.

Section 10.14 Absentee Owner Failure to Pay Assessments

In the event that an absentee Owner fails to pay any assessment obligation hereunder, and there is a tenant and/or tenants in his Unit, the Association may demand that the tenants pay to the Association any rent owing to said Owner. Said amount received shall be applied to the Owner's account and payments hereunder shall not constitute a breach of the lease agreement between the Owner and tenant. Any rent payments received by the Association shall not constitute a breach of the lease or rent agreement.

ARTICLE XI. INSURANCE

Section 11.01 Types of Insurance Maintained by the Association

The Association shall have the authority to and shall obtain and maintain, to the extent reasonably available, the insurance specified below.

The Board may adopt General Insurance Rules, Policies and Procedures intended as a guide for Owners and residents in order to maintain the insurability of the project, keep the insurance premium reasonable, and enforce the maintenance responsibilities of the individual owners. The Association shall obtain the following insurance coverages ("The Association Master Policy"):

- (a) Public Liability. Public liability for the Common Areas, Limited Common Areas, and Facilities;
- (b) Common Areas. Property, fire,

extended hazard, and earthquake and flood insurance for all Common Areas and Limited Common Areas;

- (c) Buildings and Units. Special form property, fire and extended hazard for all Buildings that contain more than one Unit, including any improvement which is a permanent part of a Building such as cabinets, floor and wall coverings, built-in appliances, and attached fixtures;
- (d) D&O. Directors and officers in not less than \$1,000,000; and
- (e) Fidelity Bond. Fidelity bond in an amount not less than the reserves and operating capital of the association.

Section 11.02 Insurance Company

The Association shall use a responsible insurance company or companies duly qualified and licensed in the State of Utah.

Section 11.03 Minimum Amount of Insurance Coverage

The limits of each liability insurance policy purchased for the Association shall be in an amount not less than \$1,000,000.00 per occurrence and \$2,000,000.00 general aggregate for bodily injury, death, and property damage. This amount may be increased by resolution of the Board.

Section 11.04 Premium as a Common Expense

The premium for the Association's insurance, including but not limited to general liability, property coverage, earthquake, flood, directors and officers, and fidelity bond coverage, is to be a common expense.

Section 11.05 Insurance by Owner

Each Owner shall obtain and maintain the following types of insurance coverage:

- (a) Public Liability Insurance. Each Owner

will obtain public liability insurance for his Unit and shall provide the Association with a Certificate of Insurance upon request.

- (b) Building Coverage (inside the unit). Each Owner shall have a minimum amount of \$10,000 for building coverage added to his individual owner's policy.
- (c) Loss Assessment. Each Owner shall have a minimum amount of \$20,000 for loss assessment coverage added to his Unit.

Premium. The insurance premium on the Owner's policy shall be paid by the Owner.

Maintenance of Coverage. The Owner shall obtain and keep in full force and effect at all times the required insurance coverage provided by companies duly authorized to do business in Utah.

Not a Limitation. The provisions of this subsection shall not be construed to limit the power or authority of the Owner to obtain and maintain insurance coverage in addition to any insurance coverage required hereunder, in such amounts and in such forms as he may deem appropriate.

Default. If an Owner fails to maintain the required insurance or fails to provide a Certificate of Insurance within three (3) days of a request and fails to remedy a default within ten (10) days of written notice, the Association may but is not obligated to, without further notice, purchase the required insurance and treat the cost as an Individual Assessment.

Contents. The Association Master Policy does not cover the contents of the Unit or the personal property of the Unit or Resident such as automobiles, furniture, furnishings, appliances, paintings, pictures, wall hangings, clothing, personal belongings and effects, and other contents or personal

liability.

Section 11.06 Loss of Rents

The Association Master Policy does not cover loss of rents or rental income.

Section 11.07 Insurance of Contents and Lost Rents

Providing insurance to cover contents and lost rents or rental income is the responsibility of the individual Owner or Resident.

Section 11.08 Payment of Deductible

It is presumed that the claimant is responsible to pay the deductible, provided, however, the deductible on a claim made against the Association Master Policy shall be paid for by the party (i) who would be liable for the loss, damage, claim, or repair in the absence of insurance or (ii) from whose Unit the causal event originates. In the event of multiple responsible parties, the loss shall be allocated in relation to the amount each party's responsibility bears to the total. If a loss is caused by an act of God or nature or by an element, risk or peril beyond the control of the parties, then the Owner shall be responsible for the deductible. Each Owner is encouraged to purchase insurance to cover the cost of the deductible as stated above. The Association deductible will be \$10,000 or less. 60 days written notice will be given to Owners in the event the Board elects to increase the deductible in an amount greater than \$10,000. Owners shall be responsible for the Association deductible despite inadequate insurance personally carried.

Section 11.09 Damages

Each Owner is responsible for the maintenance of his Unit and for the repair of any damage he causes to another Unit, Limited Common Area, or the Common Area and Facilities.

Section 11.10 Right to Adjust Claims

The Association has the right, power and

authority to adjust claims.

Section 11.11 Use of Insurance Proceeds and Repairs

Repair of damage shall be completed within a reasonable time, and insurance proceeds shall be used to repair the covered damage.

Section 11.12 Damage to Project

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

- (a) If proceeds of the insurance maintained by the Board are alone sufficient to repair or reconstruct the damage or destroyed improvement, such repair or reconstruction shall be carried out.
- (b) If less than 75% of the Project's improvements are destroyed or substantially damaged, and if the proceeds of the insurance maintained by the Board are not alone sufficient to accomplish repair or reconstruction, restoration shall be carried out, and all the Unit Owners shall be assessed for any deficiency on the basis of their respective Percentage Interest.
- (c) If 75% or more of the Project's improvements are destroyed or substantially damaged, and if proceeds of the insurance maintained by the Board are not alone sufficient to accomplish restoration, and if the Unit Owners within 100 days after the destruction or damage by a vote of at least 75% elect to repair or reconstruct the affected improvements, restoration shall be accomplished in the manner directed under subparagraph (b) above.
- (d) If 75% or more of the Project's improvements are destroyed or substantially damaged, if proceeds of the insurance maintained by the Board are insufficient to accomplish

restoration, and if the Unit Owners do not, within 100 days after the destruction or damage and by a vote of at least 75%, elect to repair or reconstruct the affected improvements, the Board shall promptly record with the Salt Lake County Recorder a notice setting forth such facts. Upon the recording of such notice the provisions of subsections (1) through (4) of Section 57-8-31, Utah Code Annotated (1953), shall apply and shall govern the rights of all parties having an interest in the Project or any of the Units.

- (e) Any reconstruction or repair which is required to be carried out by this Article regarding the extent of damage to or destruction of Project improvements shall be made by three appraisers selected by the Board. The decision of any two such appraisers shall be conclusive.

ARTICLE XII. MORTGAGEE PROTECTION

Section 12.01 Notices of Action

Eligible Mortgagees, upon written request to the Association, which request shall contain the name and address of the Mortgagee and the Unit number, shall be given timely notice of the following:

- (a) Any proposed amendment to the Project Documents effecting a change in:
 - (i) The boundaries of any unit or the exclusive easement rights appertaining thereto,
 - (ii) The interests in the Common Area or Limited Common Area appertaining to any Unit or the liability for common expenses appertaining thereto,
 - (iii) The number of votes in the

Association appertaining to any Unit, or

(iv) The purposes to which any Unit or the Common Areas are restricted;

- (b) Any proposed termination of the condominium;
- (c) Any condemnation loss or any casualty loss which affects a material portion of the Project or which affects any Unit on which there is a mortgage held, insured or guaranteed by an Eligible Mortgagee;
- (d) Any delinquency in the payment of assessments or charges owed by an Owner of a Unit subject to the mortgage of the Mortgagee where such delinquency has continued for a period of 60 days;
- (e) Any lapse, cancellation or material modification of any insurance policy required to be maintained by the Association under this Declaration.

Section 12.02 Restoration or Repair of Project

Any restoration or repair of the Project after a partial condemnation or damage due to an insurable hazard shall be in accordance with the Declaration and the original design and construction of the Project, unless fifty-one percent (51%) of Eligible Mortgagees approve a change.

Section 12.03 Termination of Association

Any election to terminate the condominium regime after substantial destruction or a substantial taking in condemnation of the condominium property must require the approval of at least fifty-one percent (51%) of Eligible Mortgagees.

Section 12.04 Eligible Mortgagees

Any Mortgagee failing to provide the Association with a written request for notice shall not be an Eligible Mortgagee and shall lose its entitlement to notice, and any other rights extended to Eligible Mortgagees in the Project Documents until such time as it provides the Association with a proper written request for notice.

ARTICLE XIII. AMENDMENTS

Section 13.01 Termination of Declaration

Owners representing at least sixty-seven (67%) of the undivided interest in the common areas and approval of at least sixty-seven percent (67%) of Eligible Mortgagees shall be required to terminate the Declaration.

Section 13.02 Amendment of Declaration

The consent of Owners representing at least sixty-seven percent (67%) of the undivided interest ownership in the Common Areas shall be required to amend this declaration. The approval of fifty-one percent (51%) of Eligible Mortgagees shall be required to materially amend any provision of the Project Documents, or to add any material provision thereto. A provision shall be considered material if it establishes, provides for, governs or regulates any of the following:

- (a) Voting;
- (b) Assessments, assessment liens or subordination of liens;
- (c) Reserves for maintenance, repair, and replacement of Common Areas;
- (d) Insurance or Fidelity Bonds;
- (e) Rights to use the Common Areas;
- (f) Responsibility for maintenance and

repair of the Units, Limited Common Area, or Common Area;

- (g) Expansion or contraction of the Project;
- (h) Boundaries of Units;
- (i) The interests in the Common Areas and Limited Common Areas;
- (j) Convertibility of Units into Common Areas or Common Areas into Units;
- (k) Leasing of Units;
- (l) Imposition of any right of first refusal or similar restriction on the right of a Unit Owner to sell, transfer, or otherwise convey his Unit;
- (m) Establishment of self-management by the Association where professional management has been required by any governmental agency or lending institution;
- (n) Any provision for the express benefit of Eligible Mortgagees.

Section 13.03 Amendment Effective Date

No amendment to this Declaration shall be effective until it has been duly recorded in the County Recorder's Office.

ARTICLE XIV. MISCELLANEOUS

Section 14.01 Votes Without a Meeting

Notwithstanding anything to the contrary, in those cases in which the Project Documents require the vote of a stated percentage of the Owners for the authorization or approval of a transaction, such requirement may be fully satisfied by obtaining the necessary percentage of votes in any manner authorized by the Bylaws.

Section 14.02 Service of Process

The registered agent of the Association, as described on the Utah State Department of Commerce's records, is the person authorized to receive service of process in cases authorized by the Act.

In the event that the corporate status of the Association expires, then the President of the Board shall be the successor substitute process agent. In the event that the corporate status expires, the Board shall specify such successor or substitute agent and his address by written instrument to be kept at the Association's principal place of business.

Section 14.03 Duty of Owner to Pay Taxes on Unit Owned

It is understood that under the Act each Unit (and its Percentage Interest in the Common Areas) in the Project is subject to separate assessment and taxation of each taxing authority and the special district(s) 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, except for certain personal properties thereof. Accordingly, each Unit Owner will pay and discharge any and all taxes and assessments which may be assessed against his Unit.

Section 14.04 Covenants to Run With Land; Compliance

This Declaration and all the provisions hereof shall constitute covenants which run with the land and constitute equitable servitudes, as the case may be, and shall be binding upon and shall inure to the benefit of the Association, all parties who hereafter acquire any interest in or occupy a Unit or any part of in the Project, and their respective grantees, transferees, heirs, devisees, personal representatives, successors, assigns, guests and invitees. Each Owner or occupant of a Unit shall comply with, and all interests in all Units shall be subject to, the terms of the Act, the

terms of the Project Documents, agreements, instruments, and determinations adopted pursuant thereto, (hereinafter referred to collectively as the "Declaration"), and failure to comply shall be grounds for an action to recover sums due for damages or injunctive relief or both, maintainable by the Board on behalf of the Association, or, in a proper case, by an aggrieved Unit Owner. By acquiring any interest in a Unit each Unit Owner or occupant consents and agrees to be bound by and subject to each and every provision of the Declaration. Should the Association be required to take action hereunder or by applicable law, whether such remedy is pursued by filing a lawsuit or otherwise, the Association may recover all costs and expenses, including a reasonable attorney's fee, which may arise or accrue.

Section 14.05 Information Regarding Transferee of Unit

Any Unit Owner who sells, leases, or otherwise disposes of his Unit shall submit to the Board pertinent information concerning the transferee or new occupant within one week of any transfer of title or possession on a form furnished by the Board.

Section 14.06 Indemnification of Board

Each member of the Board shall be indemnified and held harmless by the Unit Owners against all costs, expenses, and fees, reasonably incurred by them in connection with any proceeding to which he may become involved by reason of his negligent act or omission in relation to his being a member of said Board.

Section 14.07 Invalidity

The invalidity of any provisions of this Declaration, or any portion thereof, shall not be deemed to impair or affect in any manner the validity, enforceability, or effect of the remainder of this Declaration, and, in such event, all of the other provisions of this

Declaration shall continue in full force and effect as if such invalid provision had never been included herein.

Section 14.08 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 the number of violations or breaches which may occur.

Section 14.09 Gender

The use of the masculine gender in this Declaration shall be deemed to refer to the feminine gender, and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

Section 14.10 Topical Headings

The headings appearing at the beginning of the paragraphs of this Declaration are only for convenience of reference and are not intended to describe, interpret, define, limit, extend, or otherwise affect the content, meaning or intent of this Declaration or any paragraph or provision hereof.

Section 14.11 Conflicts

This Declaration is set forth to comply with the requirements of the Act. In the event of any conflict between this Declaration and the provisions of the Act, the provisions of the latter shall control.

Section 14.12 Effect of Recorded Instruments

At any point in time, the Declaration and the Map concerning each phase which is then a part of the Project shall constitute the constituent parts of a single Declaration and Map affecting the Project. Accordingly, in the event the provisions of the separate instruments conflict irreconcilably, the terms of that instrument which is last recorded shall control.

Section 14.13 Effective Date

This Declaration shall take effect upon

recording in the office of the Salt Lake
County Recorder.

IN WITNESS WHEREOF, the Association, has caused this Declaration to be executed
by its duly authorized officers on the 6 day of DECEMBER, 2011.

**Vine Street East Condominium Project Home Owners
Association, Inc.**

Edward C Johnson
By: EDWARD C JOHNSON
Its: President

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

On this 6 day of December, 2011, personally appeared before me
Edward C Johnson who being by me duly sworn, did say that they are the agent of the
Association authorized to execute this Declaration.

Debbie Donaldson
NOTARY PUBLIC

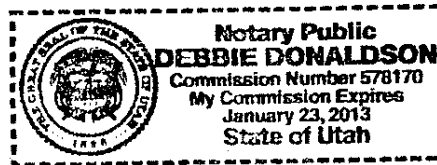


EXHIBIT A

(LEGAL PROPERTY DESCRIPTION)

22174540020000	UNIT 1, VINE STREET EAST CONDM 1.304% INT 4803-226.
22174540030000	UNIT 2, VINE STREET EAST CONDM 1.464 INT% 4812-814.
22174540040000	UNIT 3, VINE STREET EAST CONDM 1.464% INT 4883-598,
22174540050000	UNIT 4, VINE STREET EAST CONDM 1.464% INT 4834-0809
22174540060000	UNIT 5, VINE STREET EAST CONDM 1.464% INT 4847-1044,
22174540070000	UNIT 6, VINE STREET EAST CONDM 1.306% INT 4823-1288,
22174540080000	UNIT 25, VINE STREET EAST CONDM 1.47% INT. 4989-212,
22174540090000	UNIT 26, VINE STREET EAST CONDM 1.313% INT 4900-577,
22174540100000	UNIT 27, VINE STREET EAST CONDM 1.468% INT. 5271-1455.
22174540110000	UNIT 28, VINE STREET EAST CONDM 1.468% INT 5409-740
22174540120000	UNIT 29, VINE STREET EAST CONDM 1.311% INT 5039-267,
22174540130000	UNIT 30, VINE STREET EAST CONDM 1.311% INT 4939-520,
22174540140000	UNIT #31, VINE STREET EAST CONDM 1.468% INT 4911-755,
22174540150000	UNIT 32, VINE STREET EAST CONDM 1.468% INT 5339-325.
22174540160000	UNIT #33, VINE STREET EAST CONDM 1.313% INT 4942-308,
22174540170000	UNIT 34, VINE STREET EAST CONDM 1.47% INT 5157-178,
22174540180000	UNIT 35, VINE STREET EAST CONDM 1.292% INT 5228-172.
22174540190000	UNIT 36, VINE STREET EAST CONDM 1.476% INT 4984-554,
22174540200000	UNIT #37, VINE STREET EAST CONDM. 1.476% INT 4910-246,
22174540210000	UNIT 38, VINE STREET EAST CONDM 1.318% INT 4804-206,
22174540220000	UNIT #39, VINE STREET EAST CONDM. 1.460% INT 4910-266.
22174540230000	UNIT 40, VINE STREET EAST CONDM 1.465% INT. 4967-480,
22174540240000	UNIT 41, VINE STREET EAST CONDM 1.312% INT 4846-228,
22174540250000	UNIT 42, VINE STREET EAST CONDM 1.456% INT 5409-742,
22174540260000	UNIT 43, VINE STREET EAST CONDM 1.466% INT 4984-545,
22174540270000	UNIT #44, VINE STREET EAST CONDM. 1.319% INT 4910-256,
22174530020000	UNIT 55, VINE STREET EAST CONDM, PHASE III 1.294% INT
22174530030000	UNIT 56, VINE STREET EAST CONDM, PHASE III 1.294% INT
22174530040000	UNIT 67, VINE STREET EAST CONDM, PHASE III 1.297% INT
22174530050000	UNIT 68, VINE STREET EAST CONDM, PHASE III 1.476% INT
22174530060000	UNIT 69, VINE STREET EAST CONDM, PHASE III 1.476% INT
22174530070000	UNIT 70, VINE STREET EAST CONDM, PHASE III 1.296% INT

22174530080000	UNIT 71, VINE STREET EAST CONDM, PHASE III 1.48% INT
22174530090000	UNIT 72, VINE STREET EAST CONDM, PHASE III 0.819% INT
22174550020000	UNIT 7, VINE STREET EAST CONDM, PHASE 2 1.287% INT 5409-746.
22174550030000	UNIT 8, VINE STREET EAST CONDM, PHASE 2 1.463% INT 5339-325.
22174550040000	UNIT 9, VINE STREET EAST CONDM, PHASE 2 1.463% INT 5339-325.
22174550050000	UNIT 10, VINE STREET EAST CONDM, PHASE 2 1.313% INT
22174550060000	UNIT 11, VINE STREET EAST PHASE II 1.461% INT 5191-231,
22174550080000	UNIT 13, VINE STREET EAST CONDM, PHASE 2 1.452% INT
22174550090000	UNIT 14, VINE STREET EAST CONDM, PHASE II 1.273% INT
22174550100000	UNIT 15, VINE STREET EAST CONDM, PHASE 2 1.302% INT
22174550110000	UNIT 16, VINE STREET EAST CONDM, PHASE 2 1.302% INT
22174550120000	UNIT 17, VINE STREET EAST PHASE II 1.419% INT 5096-854,
22174550130000	UNIT 18, VINE STREET EAST PHASE II CONDM 1.301% INT
22174550140000	UNIT 19, VINE STREET EAST CONDM, PHASE 2 1.33% INT 5339-325.
22174550150000	UNIT 20, VINE STREET EAST CONDM, PHASE 2 1.452% INT
22174550160000	UNIT 21, VINE STREET EAST CONDM, PHASE 2 1.331% INT
22174550170000	UNIT 22, VINE STREET EAST CONDM, PHASE 2 1.331% INT
22174550180000	UNIT 23, VINE STREET EAST CONDM, PHASE 2 1.452% INT
22174550190000	UNIT 24, VINE STREET EAST PHASE II 1.331% INT 5107-616,
22174580020000	UNIT 52, VINE STREET EAST PHASE IV CONDM 1.474% INT
22174580030000	UNIT 53, VINE STREET EAST PHASE IV CONDM 1.489% INT
22174580040000	UNIT 54, VINE STREET EAST PHASE IV CONDM 1.477% INT
22174590020000	UNIT 45, VINE STREET EAST PH V 1.467% INT 5982-0794
22174590030000	UNIT 46, VINE STREET EAST PH V 1.287% INT 5647-2761
22174590040000	UNIT 47, VINE STREET EAST PH V 1.467% INT 5982-0794
22174590050000	UNIT 48, VINE STREET EAST PH V 1.467% INT 5844-0486
22174590060000	UNIT 49, VINE STREET EAST PH V 1.287% INT 5982-0794
22174590070000	UNIT 50, VINE STREET EAST PH V 1.467% INT 5650-1864
22174590080000	UNIT 51, VINE STREET EAST PH V 1.467% INT 5654-2531
22174590090000	UNIT 57, VINE STREET EAST PH V 1.467% INT 5624-1352
22174590100000	UNIT 58, VINE STREET EAST PH V 1.467% INT 5614-1730
22174590110000	UNIT 59, VINE STREET EAST PH V 1.62% INT 5599-1020 6199-0266
22174590120000	UNIT 60, VINE STREET EAST PH V 1.287% INT 5604-1578
22174590130000	UNIT 61, VINE STREET EAST PH V 1.467% INT 5624-1967
22174590140000	UNIT 62, VINE STREET EAST PH V. 1.287% INT. 5677-2724
22174590150000	UNIT 63, VINE STREET EAST PH V 1.287% INT 5982-0794

22174590160000	UNIT 64, VINE STREET EAST PH V 1.467% INT 5657-1765
22174590170000	UNIT 65, VINE STREET EAST PH V 1.467% INT 5634-2891
22174590180000	UNIT 66, VINE STREET EAST PH V 1.287% INT 5656-2066
22174590190000	UNIT 73, VINE STREET EAST PH V 1.287% INT 5649-2279

EXHIBIT B

(UNDIVIDED INTEREST)

UNIT NO.	PERCENTAGE INTEREST	SQUARE FEET	UNIT NO.	PERCENTAGE INTEREST	SQUARE FEET
1	1.304%	1401	46	1.287%	1382
2	1.464%	1573	47	1.467%	1576
3	1.464%	1573	48	1.467%	1576
4	1.464%	1573	49	1.287%	1382
5	1.464%	1573	50	1.467%	1576
6	1.306%	1403	51	1.467%	1576
7	1.287%	1383	52	1.474%	1584
8	1.463%	1572	53	1.489%	1600
9	1.463%	1572	54	1.477%	1587
10	1.313%	1410	55	1.294%	1390
11	1.461%	1570	56	1.294%	1390
13	1.452%	1560	57	1.467%	1576
14	1.273%	1367	58	1.332%	1420
15	1.302%	1399	59	1.755%	1740
16	1.302%	1399	60	1.287%	1382
17	1.419%	1524	61	1.467%	1576
18	1.301%	1398	62	1.287%	1382
19	1.330%	1429	63	1.287%	1382
20	1.452%	1560	64	1.467%	1576
21	1.331%	1430	65	1.467%	1576
22	1.331%	1430	66	1.287%	1382
23	1.452%	1560	67	1.297%	1393
24	1.331%	1430	68	1.476%	1586
25	1.470%	1579	69	1.476%	1586
26	1.313%	1410	70	1.296%	1392
27	1.468%	1577	71	1.480%	1590
28	1.468%	1577	72	0.819%	880
29	1.311%	1408	73	1.287%	1382
30	1.311%	1408			
31	1.468%	1577			
32	1.468%	1577			
33	1.313%	1411			
34	1.470%	1579			
35	1.292%	1388			
36	1.476%	1586			
37	1.476%	1586			
38	1.318%	1416			
39	1.460%	1568			
40	1.465%	1574			
41	1.312%	1409			
42	1.456%	1564			
43	1.466%	1575			
44	1.319%	1417			
45	1.467%	1576			
				100.00%	107,271

EXHIBIT C

**BYLAWS OF VINE STREET EAST CONDOMINIUM PROJECT
HOME OWNERS ASSOCIATION, INC**

ARTICLE I. PLAN OF UNIT OWNERSHIP

Section 1.01 Condominium Submission

The Property is located in Salt Lake County, Utah, has been submitted to the provisions of the Act by a Declaration recorded in the Office of the County Recorder of Salt Lake County, Utah, simultaneously herewith, and shall hereafter be referred to as the "Condominium."

Section 1.02 Bylaws Applicability

The Provisions of these Bylaws are applicable to the Project as provided in the Declaration and the use, occupancy, sale, lease or other transfer thereof. All Owners of any fee or leasehold interest, all occupants or users of the Condominium, and the agents and servants of any of them are subject to the provisions of the Project Documents.

Section 1.03 Personal Application

All present and future Owners, tenants, future tenants, their guests, licensees, servants, agents, employees and any other person or persons who shall be permitted to use the facilities of the Condominium, shall be subject to the Project Documents. Acquisition, rental or occupancy of any of the Condominium Units in the Condominium shall constitute an acknowledgment that such Owner, tenant or occupant has accepted and ratified these Bylaws, the provisions of the Project Documents, and will comply with them.

Section 1.04 Office

The office of the Condominium and of the Board shall be located at the Condominium or at such other place as may be designated from time to time by the Board.

ARTICLE II. ASSOCIATION

Section 2.01 Composition

All of the Unit Owners acting as a group in accordance with the Act, the Declaration and these Bylaws, shall constitute the Association. Except as to those matters which the Act specifically requires to be performed by the vote of the Unit Owners, the administration of the Condominium shall be performed by the Board.

Section 2.02 Voting

Each Unit Owner shall vote his percentage of common interest. (**Exhibit "B."**) Since a Unit Owner may be more than one person, if only one of such persons is present at a meeting of the Association, that person shall be entitled to cast the vote appertaining to that Unit. But if more than one of such persons is present, the vote appertaining to that Unit shall be cast only in accordance with the agreement of a majority of them, and such consent shall be conclusively presumed if any one of them purports to cast the vote appertaining to that Unit without protest being made forthwith by any of the others to the person presiding over the meeting.

Since a person need not be a natural person, the word "person" shall be deemed for the purposes of this Section to include, without limitation, any natural person having authority to execute deeds on behalf of any person, excluding natural persons, which is, either alone or in conjunction with another person or persons, a Unit Owner.

Except where a greater number is required by the Act, the Declaration, or these Bylaws, a majority of the votes of Unit Owners present in person or represented by proxy in good standing and entitled to vote is required to adopt decisions at any meeting of the Association.

Section 2.03 Place of Meeting

Meetings of the Association shall be held at

the principal office of the Condominium or at such other suitable place as may be designated by the Board and stated in the notice of the meeting.

Section 2.04 Annual Meeting

The annual meetings of the Association shall be held in November of each year. The Board in its discretion may designate another date for the annual meeting. At such annual meetings the Board shall be elected by ballot of the Owners in accordance with the requirements of these Bylaws. The Association may transact any other business, which properly comes before it at the meeting.

Section 2.05 Special Meetings

It shall be the duty of the President to call a special meeting of the Association if so directed by resolution of the Board or, after all of the Board has been elected by Unit Owners, upon a petition signed and presented to the Secretary by Owners having not less than twenty percent (20%) of the undivided interests. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 2.06 Notice of Meetings

It shall be the duty of the Secretary to send notice of (a) each annual meeting of the Owners, at least twenty (20) days in advance of such meeting and (b) each special meeting of the Owners at least ten (10) days in advance of such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Owner of record, at the address of their respective Units and at such other address as each Owner may have designated by notice in writing to the Secretary. The mailing of a notice of meeting in the manner provided in this Section shall be considered service of notice.

Section 2.07 Voting Requirements

An Owner shall be deemed to be in "good standing" and "entitled to vote" at any annual meeting or at any special meeting of the Association if he shall have fully paid all due installments of assessments made or levied against him and his Unit by the Board as hereinafter provided, together with all interest, costs, attorney's fees, penalties and other expenses chargeable to him and against his Unit, at least three days prior to the date fixed for such annual or special meeting.

Section 2.08 Proxies

The votes appertaining to any Unit may be cast pursuant to a proxy or proxies duly executed by or on behalf of the Unit Owner, or, in cases where the Unit Owner is more than one person, by or on behalf of all such persons. No such proxy shall be revocable except by actual notice to the person presiding over the meeting, by the Unit Owner or by any of such persons, that it be revoked. Any proxy shall be void if it is not dated and signed, or if it purports to be revocable without notice as aforesaid. Any proxy shall terminate automatically upon the adjournment of the first meeting held on or after the date of that proxy, and must be filed with the Secretary not less than three (3) days before the meeting.

Section 2.09 Absentee Ballots

A Member who is incapacitated or who will be absent on the date set for balloting may cast an absentee ballot at the place or time of balloting, or by mail, in the manner required by the Board. In no event shall the vote be cast more than fourteen (14) days prior to the voting date.

Absentee votes shall be opened and the ballots tabulated at the same time and place and under the same conditions as the regular ballots.

Section 2.10 Mail-in Ballots

Any action that may be taken by the Unit

Owners, except election of Directors, may be taken by written ballots in accordance with the procedure established in the Utah Revised Nonprofit Corporation Act Section 16-6a-709, as amended from time to time.

A combination of mail-in ballots, ballots collected electronically and ballots cast in person may be used.

Section 2.11 Written Consent in Lieu of Vote

Any action that may be taken by the Unit Owners, except election of Directors, may be taken by written consent in accordance with the procedure established in the Utah Revised Nonprofit Corporation Act Section 16-6a-707, as amended from time to time. Written consents may be collected personally, by mail, or by electronic means.

Section 2.12 Quorum

Except as may otherwise be provided herein or by statute, more than fifty percent (50%) of the Owners shall constitute a quorum for the adoption of decisions. If, however, such quorum shall not be present or represented at any meeting, the Owners entitled to vote thereat, present in person, represented by proxy or absentee ballot, shall have power to adjourn the meeting and reschedule for a time no earlier than 48 hours and no later than thirty (30) days after the time set for the original meeting. The Association shall give the Owners 48 hours notice of a rescheduled meeting. A quorum for the transaction of business at the rescheduled meeting shall be 50% of the Owners in person or represented by proxy or absentee ballot.

Section 2.13 Order of Business

The order of business at all meetings of the Association shall be as follows: (a) roll call; (b) proof of notice of meeting; (c) reading of minutes of preceding meeting; (d) reports of officers; (e) report of special committees, if any; (f) election of Directors, if applicable; (g) unfinished business; and (h) new

business. In its sole discretion, the Board may change the order of business.

Section 2.14 Title to Unit

Title to Units may be taken in the name of a natural person or in the names of two or more natural persons, or in the name of a corporation, partnership, association or other entity capable of holding title to real property, or any combination thereof.

Section 2.15 Conduct of Meeting

The President shall, or in his absence the Vice-President shall, preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted by the meeting, as well as a record of all transactions occurring thereat.

ARTICLE III. BOARD OF DIRECTORS

Section 3.01 Powers and Duties

The affairs and business of the Association shall be managed by the Board. The Board shall have all of the powers and duties necessary to administer the affairs of the Association in accordance with the provisions of the Declaration. The Board may do all such acts and things as are required by the Act or by these Bylaws or the Declaration to be done by the Association.

The Board shall have the power to adopt any Rules and Regulations deemed necessary for the enjoyment of the Condominium. However, such Rules and Regulations shall not be in conflict with the Act, the Declaration or these Bylaws. The Board shall delegate to one of its members the authority to act on behalf of the Board on all matters relating to the duties of the Managing Agent, if any, which might arise between meetings of the Board. Subject to any limitations or provisions contained in

the Declaration, the Board shall be responsible for the following:

- (a) Preparation of an annual budget, in which there shall be established the contribution of each Owner to the common expenses.
- (b) Making assessments against Owners to defray the cost and expenses of the Condominium, establishing the means and methods of collecting such assessments from the Owners, and establishing the period of the installment payment of the annual assessment for common expenses. Unless otherwise determined by the Board, the annual assessment against each Owner for his proportionate share of the common expenses shall be payable in equal monthly installments. Each such installment shall be due and payable in advance on the first day of each month for said month.
- (c) Providing for the operation, care, upkeep, replacement, maintenance and surveillance of all of the Common Areas and services of the Condominium.
- (d) Designating, hiring and dismissing the personnel necessary for the maintenance, operation, repair and replacement of the Common Areas, and providing services for the Property, and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and material to be used by such personnel in the performance of their duties, which supplies and equipment shall be deemed the common property of the Owners.
- (e) Collecting the assessments against the Owners, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to carry out the administration of the Property.
- (f) Making and amending Rules and Regulations respecting the use of the Property.
- (g) Opening of bank accounts on behalf of the Association and designating the signatories required therefore.
- (h) Making or contracting for the making of repairs, additions and improvements to, or alterations of, the Property and repairs to, and restoration of, the Property, in accordance with the Declaration and other provisions of these Bylaws, after damage or destruction by fire or other casualty.
- (i) Enforcing by legal means the provisions of the Project Documents for the use of the Property adopted by it, and bringing any proceedings which may be instituted on behalf of the Owners.
- (j) Obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof.
- (k) Paying the cost of all services rendered to the condominium and not billed to Owners of individual Units.
- (l) Keeping books with detailed accounts of the receipts and expenditures affecting the property, and the administration of the Condominium, specifying any maintenance and repair expenses of the Common Areas and any other expenses incurred. The said books and vouchers accrediting the entries thereupon shall be available for examination by the Owners, their duly authorized agents or attorneys, during general business hours on working days at the times and in the manner that shall be set and announced by the Board for the general knowledge of the Owners. All books and records shall be kept in accordance with generally accepted accounting practices, and the

same, upon resolution of the Board, shall be audited by an outside auditor employed by the Board who shall not be a resident of the Condominium, or an Owner therein. The cost of such audit shall be a Common Expense. A copy of the annual audit report shall be supplied to any first mortgagee of any Unit in the Condominium who requests the same in writing from the Secretary.

- (m) To do such other things and acts not inconsistent with the Act, the Declaration or the Bylaws or by a resolution of the Association.
- (n) To grant easements and licenses over, under, and through the Common Areas.

Section 3.02 Manager

The Board may employ a Manager to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Section 3.01.

The Board may delegate to the Manager all of the powers granted to the Board by these Bylaws, provided that any actions by the Manager with respect to the powers set forth in paragraphs (b), (f), (g) and (i), of Section 3.01 shall require the written consent of the Board.

Section 3.03 Number of Directors

The Board shall be composed of five persons, all of whom shall be Unit Owners. The Board shall also have three alternate members. The alternates shall be voting members in the absence of a Director. Official business may be conducted with two duly-elected Board Members and three Alternates.

Section 3.04 Selection and Term of Office of the Board

Unless appointed under the provisions of Section 3.10, Directors shall be elected as follows:

- (a) Directors shall be elected by a majority vote of the Members present in person or by proxy at the annual meeting. Cumulative voting shall not be permitted.
- (b) All Directors shall hold office until January 1st following the annual meeting where their successor was elected.
- (c) Directors' terms shall be staggered. Upon the natural expiration of a Director's term, a successor shall be elected for a two year term. There shall be no limit on the number of terms an Owner may serve as a Director.
- (d) Alternate members shall serve one year terms.

Section 3.05 Organization Meeting

The first meeting of the members of the Board following the annual meeting of the Association shall be held the month following the annual meeting at a place fixed by the Board at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, provided that a majority of the whole Board shall be present thereat.

Section 3.06 Regular Meetings

Regular meetings of the Board may be held at such time and place as shall be determined by a majority of the Board, but at least six such meetings shall be held during each fiscal year after the first annual meeting of the Association. Notice of regular meetings of the Board shall be given to each member, personally, by mail, electronic means, or by telephone, at least three business days prior to the day named for such meeting.

Section 3.07 Special Meetings

The President, on three business days' notice to each member, may call special

meetings of the Board. Such notice shall be given personally, by mail, facsimile, electronically, or by telephone, and such notice shall state the time, place and purpose of the meeting. The President or Secretary shall call special meetings of the Board on the written request of at least two Directors.

Section 3.08 Waiver of Notice

Before or at any meeting of the Board, any Director may, in writing, waive notice of such meeting, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required, and any business may be transacted at such meeting.

Section 3.09 Board's Quorum

At all meetings of the Board, a majority of the Board or two Directors and three alternates shall constitute a quorum for the transaction of business, and the acts of the majority of the Board present at a meeting at which a quorum is present shall be the acts of the Board. If there be less than a quorum present at any meeting of the Board, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. Directors may attend by telephone.

Section 3.10 Vacancies

Vacancies in the Board caused by any reason other than removal of a Director by a vote of the Association shall be filled by vote of the majority of the remaining Directors at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy, even though the Directors present at such meeting may constitute less than a quorum of the Board; and each

person so elected shall be a Director for the remainder of the term of the Director so replaced.

Section 3.11 Removal of Director

A Director may be removed with or without cause, and his successor elected at any meeting of the Association at which a quorum is present, by an affirmative vote of the majority of the votes represented and voting. Any Director whose removal has been proposed by the Owners shall be given at least 30 days written notice of the calling of the meeting and the purpose thereof and shall be given a reasonable opportunity to be heard at the meeting.

Any Director who allows his installments of assessments made or levied against him and his Unit by the Board to exceed ninety days, including default interest, costs, attorney's fees, penalties, and other expenses chargeable to him and against his unit, and fails to cure the default within ten (10) days after written notice shall be removed by vote of the Board.

Section 3.12 Compensation

Directors shall not be compensated for their work. However, they may seek reimbursement for actual costs and mileage incurred associated with their service.

Section 3.13 Conduct of Meetings

The President shall preside over all meetings of the Board, and the Secretary shall keep a minute book of the Board meetings, recording therein all resolutions adopted by the Board and a record of all transactions and proceedings occurring at such meetings.

Section 3.14 Report of Board

The Board shall present at each annual meeting, and when called for by vote of the Association at any special meeting of the Association, a full and clear statement of the business and condition of the Condominium.

Section 3.15 Fidelity Bonds

The Board shall require that all officers, agents (including professional Manager and its employees) and employees of the Association handling or responsible for funds furnish adequate fidelity bonds. The premiums on such bonds shall constitute a Common Expense. The Board shall provide a fidelity insurance coverage as required by the Declaration.

Section 3.16 Dispensing with Vote

Any action by the Board required or permitted to be taken at any meeting may be taken without a meeting if all the members of the Board shall consent in writing to such action. Written consent shall be filed with the minutes of the proceedings of the Board.

Section 3.17 Liability of the Board

The members of the Board shall not be liable to the Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Owners shall indemnify and hold harmless each of the Directors from and against all contractual liability to others arising out of contracts made by the Board on behalf of the Owners unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration or of these Bylaws.

ARTICLE IV. OFFICERS

Section 4.01 Designation

The principal officers of the Condominium shall be a President, Vice President, Secretary, and a Treasurer, all of whom shall be elected by the Board.

The Board may appoint assistant secretaries and such other officers as in its judgment may be necessary. With the exception of the President, no such officer need be a member of the Board. The same person may hold two or more offices, except that the President shall not hold any other office.

Section 4.02 Election of Officers

The officers of the Association shall be elected annually by the Board at the organization meeting of each Board and shall hold office at the pleasure of the Board. The Board at a regular meeting or special meeting called for such purpose shall fill any vacancy in an office.

Nevertheless, the Directors may serve as the officers of the Association, with such positions therein determined amongst themselves.

Section 4.03 Removal of Officers

The officers shall hold office until their respective successors are chosen and qualify in their stead. Any officer elected or appointed by the Board may be removed at any time by the affirmative vote of a majority of the Board, and his successor may be elected at any regular meeting of the Board, or at any special meeting of the Board called for such purpose.

Section 4.04 President

The President shall be the chief executive officer. He shall preside at meetings of the Association and the Board and shall be an unofficial member of all committees. He shall have general and active management of the business of the Condominium and shall see that all orders and resolutions of the Board are carried into effect. The President shall vote only in the case of a tie.

Section 4.05 Vice President

There shall be a Vice President. The Vice President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President, and shall perform such other duties as the Board or the President shall prescribe. If neither the President nor the Vice President is able to act, the Board shall appoint a Director to do so on an interim basis.

Section 4.06 Secretary

The Secretary shall, to the extent possible,

attend all sessions of the Board and all meetings of the Association and record all votes and the minutes of all proceedings in a book to be kept by him for that purpose and shall perform like duties for committees when required. He shall give, or cause to be given, notice of all meetings of the Association, the Board and committees, and shall perform such other duties as may be prescribed by the Board.

The Secretary shall compile and keep current, at the principal office of the Condominium, a complete list of the Owners and their last known addresses. This list shall be open to inspection by all Owners and other persons lawfully entitled to inspect the same, at reasonable hours during regular business days. The Secretary shall also keep current the minute book of the Association, containing the minutes of all annual and special meetings of the Association and all sessions of the Board, including resolutions. The minute book shall be kept in the Association office.

Section 4.07 Treasurer

The Treasurer shall have the custody of all funds and securities that are not under the control of the Managing Agent, and, with the assistance of the Managing Agent, shall keep full and accurate records of receipts and disbursements, shall prepare all required financial data, and shall deposit all moneys and other valuable effects in such depositories as may be designated by the Board. He shall disburse funds as ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and Directors, at the regular meetings of the Board, or whenever they may require it, an account of all of his transactions as Treasurer and of the financial condition of the Condominium.

Section 4.08 Agreements, Contracts, Deeds, Checks, etc.

All agreements, contracts, deeds, leases, checks and other instruments of the

Condominium for expenditures or obligations shall be executed by any Director or by any other person designated by the Board.

ARTICLE V. FISCAL YEAR

Section 5.01 Fiscal Year

The fiscal year of the Association shall be the calendar year. The fiscal year herein established shall be subject to change by the Board should it be deemed advisable or in the best interests of the Association.

ARTICLE VI. AMENDMENT TO BYLAWS

Section 6.01 Amendments

Except as otherwise provided in this Section, these Bylaws may be modified or amended either (i) by an affirmative vote of at least fifty-one percent (51%) of the Percent Interests in the Project at any regular or special meeting at which a quorum is present, provided that Notice of the proposed amendment shall have been given to each Owner simultaneously with the notice of such meeting, or (ii) pursuant to a written instrument duly executed by at least fifty-one percent (51%) of the Unit Owners.

Section 6.02 Recording

A modification or amendment of these Bylaws shall become effective only if such modification or amendment is recorded in the office of the County Recorder of Salt Lake County, Utah.

Section 6.03 Conflicts

No modification or amendment of these Bylaws may be adopted which shall be inconsistent with the provisions of the Act or with the provisions of the Declaration. A modification or amendment, once adopted and recorded as provided for herein, shall then constitute part of the official Bylaws of the Condominium, and all Owners shall be bound to abide by such modification or

amendment.

ARTICLE VII. NOTICE

Section 7.01 Manner of Notice

All notices, demands, bills, statements or other communications provided for or required under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by U.S. Mail, first class postage prepaid, (i) if to an Owner, at the address of his Unit and at such other address as the Owner may have designated by notice in writing to the Secretary, or (ii) if to the Board or the Manager, at the principal office of the Manager or at such other address as shall be designated by notice in writing to the Owners pursuant to this Section. The Association may also give notice via facsimile or electronic mail to an Owner's facsimile or electronic mail address as shown on the records of the Association. Notices given by facsimile or electronic mail shall be deemed received when sent.

Section 7.02 Waiver of Notice

Whenever any notice is required to be given under the provisions of the statutes, the Declaration or these Bylaws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether signed before or after the time stated therein, shall be deemed equivalent thereto, unless such waiver is ineffective under the provisions of the Act.

ARTICLE VII. COMPLIANCE, CONFLICT, AND MISCELLANEOUS PROVISIONS

Section 8.01 Compliance

These Bylaws are set forth in compliance with the requirements of the Act.

Section 8.02 Conflict

These Bylaws are subordinate and subject to all provisions of the Declaration and to the provisions of the Act. All of the terms

hereof, except where clearly repugnant to the context, shall have the same meaning as they are defined to have in the Declaration or the Act. In the event of any conflict between these Bylaws and the Declaration, the provisions of the Declaration shall control; and in the event of any conflict between the Declaration and the Act, the provisions of the Act shall control.

Section 8.03 Severability

These Bylaws are set forth to comply with the requirements of the State of Utah. In case any of the Bylaws are in conflict with the provisions of any of its statutes, the provisions of the statutes will apply. If any provisions of these Bylaws or any section, sentence, clause, phrase, or word, or the application thereof in any circumstance are held invalid, the validity of the remainder of these Bylaws shall not be affected thereby; and to this end the provisions hereof are declared to be severable.

Section 8.04 Waiver

No restriction, condition, obligation or provision of these Bylaws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.

Section 8.05 Captions

The captions contained in these Bylaws are for convenience only and are not part of these Bylaws and are not intended in any way to limit or enlarge the terms and provisions of these Bylaws.

Section 8.06 Gender, etc.

Whenever in these Bylaws the context so requires, the singular number shall include the plural and the converse, and the use of any gender shall be deemed to include all genders.

IN WITNESS WHEREOF, the Association, has caused these Bylaws to be executed by its duly authorized officers on the date first stated above.

Vine Street East Condominium Project Home Owners Association, Inc.

Edward C. Johnson
By: EDWARD C. JOHNSON
Its: PRESIDENT

STATE OF UTAH)
 :SS
County of Salt Lake)

On this 6 day of December, 2011, personally appeared before me Edward C. Johnson, who being by me duly sworn, did say that they are the agents of Association authorized to execute these Bylaws on behalf of the Association.

Debbie Donaldson
NOTARY PUBLIC

