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05/16/2013 01:28 PM \$197.00
Book - 10139 Pg - 462-535
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**DECLARATION OF CONDOMINIUM
AND
DECLARATION
OF
COVENANTS, CONDITIONS, AND RESTRICTIONS,
AND
RESERVATION OF EASEMENTS
FOR
REDWOOD VILLAGE CONDOMINIUM**

LOCATED IN SALT LAKE COUNTY, UTAH

AFTER RECORDING PLEASE RETURN TO:

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**AMENDED AND RESTATED
DECLARATION OF CONDOMINIUM
AND
DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS,
AND RESERVATION OF EASEMENTS
AND BYLAWS
FOR
REDWOOD VILLAGE CONDOMINIUM**

This Amended and Restated Declaration of Condominium and Declaration of Covenants, Conditions, and Restrictions, and Reservations of Easements and Bylaws for Redwood Village Condominium (the "Declaration") made and executed by Redwood Village Homeowners Association, a Utah corporation, whose principal address is 3331 S 900 E, #130, Salt Lake City, Utah 84106 (hereinafter referred to as the "Declarant").

RECITALS

A. The Declaration of Condominium of Redwood Village Condominium was recorded in the office of the County Recorder of Salt Lake County, Utah. The Amended Declaration of Condominium of Redwood Village Condominium was recorded in the office of the County Recorder of Salt Lake County, Utah as Entry Number 4412273 in Book 5886 at Page 962 of the official records. The First Amended Declaration of Redwood Village Condominium was recorded in the office of the County Recorder of Salt Lake County, Utah as Entry No. 4130632 in Book 5686 at Page 230 of the official records. Amendments to the Declaration of Redwood Village Condominium was recorded in the office of the County Recorder of Salt Lake County, Utah as Entry No. 5537414 in Book 6692 at Pages 2970 of the official records (collectively, "Original Redwood Village Condominium Declaration").

B. Redwood Village Condominium is a residential condominium development ("Redwood Village").

C. Redwood Village is an area of unique natural beauty, featuring distinctive terrain;

D. By subjecting the Property to this Declaration, it is the desire, intent and purpose of Declarant to re-create a community in which beauty shall be substantially preserved, which will enhance the desirability of living on that real estate subject to this Declaration, and which will increase and preserve the utility, attractiveness, quality and value of the lands and improvements

therein.

E. The developer constructed upon the Property a condominium which shall include certain Units, Common Area, and other project improvements. The construction was completed in accordance with the plans contained in the Final Plat Map.

F. Various purchasers have brought fee title to the individual residential Units contained in the Property, subject to the Final Plat Map and the covenants, conditions and restrictions set forth herein.

G. All of the voting requirements have been satisfied.

H. This affects the real property located in Salt Lake County, Utah described with particularity on Exhibit "A" attached hereto and incorporated herein by this reference.

I. Declarant desires, by filing this Declaration to re-submit the Property and all improvements now or hereafter constructed thereon to the provisions and protective covenants set forth herein.

J. The Project is known as "Redwood Village Condominium."

K. Declarant hereby declares that all of the Project shall be maintained, held, sold, conveyed, encumbered, hypothecated, leased, used, occupied and improved subject to the following easements, restrictions, reservations, rights, covenants, conditions and equitable servitudes, all of which are for the purpose of uniformly enhancing and protecting the value, attractiveness and desirability of the Project, in furtherance of a general plan for the protection, maintenance, subdivision, improvement, and sale of the Project. The covenants, conditions, restrictions, rights, reservations, easements, and equitable servitudes set forth herein shall run with and burden the Project and shall be binding upon all persons having or acquiring any right, title, or interest in the Project, or any part thereof, their heirs, successors and assigns and shall inure to the benefit of every portion of the Project.

COVENANTS, CONDITIONS, AND RESTRICTIONS

NOW, THEREFORE, for the reasons recited above and subject to the covenants, conditions and restrictions set forth below, Declarant hereby makes the following declaration:

I. DEFINITIONS

When used in this Declaration (including in that portion hereof entitled "Recitals"), each of the following terms shall have the meaning indicated.

1. Additional Charges shall mean and refer cumulatively to all collection and administrative costs, including but not limited to all attorneys' fees, fines, late fees, default interest,

service fees, filing and recordation fees, and other expenditures incurred or charged by the Association.

2. Articles of Incorporation shall mean and refer to the Articles of Incorporation of REDWOOD VILLAGE HOMEOWNERS ASSOCIATION, INC. on file with the State of Utah.

3. Assessment shall mean and refer to any amount imposed upon, assessed or charged a Unit Owner or Resident at the Project.

4. Association shall mean and refer to all of the Unit Owners at REDWOOD VILLAGE CONDOMINIUM taken as, or acting as, a group in accordance with the Declaration.

5. Board shall mean the governing Board of Directors of the Association.

6. Building shall mean and refer to any of the structures constructed in the Project.

7. Budget shall mean a written, itemized estimate of the expenses to be incurred by the Association in performing its functions under this Declaration.

8. Business Use and Trade shall mean and refer to any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: a) such activity is engaged in full or part-time; b) such activity is intended to or does generate a profit; or c) a license is required therefor.

9. Bylaws shall mean and refer to the Bylaws of the Association, a copy of which is attached to and incorporated in this Declaration by reference as Exhibit "D".

10. Capital Improvement shall mean and refer to a permanent addition to or the betterment of real property that enhances its capital value and improves the expenditure of labor or money and is designed to make the property more useful or valuable as distinguished from ordinary repairs.

11. Common Area shall mean and refer to all real property in the Project owned by the Association including but not limited to the following items:

(a) The real property shown on the Plat Map which is not dedicated to the public or part of a Unit;

(b) All Common Areas specifically designated as such in the Plat Map;

(c) All Limited Common Areas and Restricted Limited Common Space designated as such on the Plat Map;

(d) All utility installations and all equipment connected with or in any way related

to the furnishing of utilities to the Project and intended for the common use of all Unit Owners, such as telephone, electricity, gas, water, cable television, and sewer, including any such service lines running through the Buildings;

(e) The Project's outdoor grounds; landscaping; open spaces; furnishing, supplies and equipment for the benefit of all Owners; exterior lighting; common fencing; sidewalks and parking spaces; and roadways not otherwise dedicated to the public (sometimes hereafter referred to as "Common Facilities" or "Facilities");

(f) All portions of the Project not specifically included within the individual Units; and

(g) All other parts of the Project normally in common use or necessary or convenient to the use, existence, maintenance, safety, operation or management of the Property owned in common or for the common benefit of the Owners.

12. Common Expense shall mean and refer to: (a) All sums lawfully assessed against the Owners; (b) Expenses of administration, maintenance, repair or replacement of the Project; (c) Expenses allocated by the Association among the Owners; (d) Expenses agreed upon as common expenses by the Association; (e) Expenses declared as common expenses by the Declaration; and (f) the Association's proportionate share of the cost of maintaining, repairing and replacing improvements that must be replaced on a periodic basis, and operating the Recreation Amenity (collectively, "maintenance").

13. Community shall mean and refer to the Project.

14. Community Standard or Community Wide Standard shall mean and refer to the standard of conduct, maintenance, or other activity generally prevailing in the Community, as determined by the Board from time to time.

15. Corrective Assessments shall mean a charge against a particular Owner and his Unit representing the costs to the Association incurred in taking corrective action against an Owner, including without limitation actions taken pursuant to Sections 33 and 34.

16. Declaration shall mean and refer to this Amended and Restated Declaration of Condominium and Declaration of Covenants, Conditions, and Restrictions, and Reservation of Easements, and Bylaws for Redwood Village Condominium.

17. Dwelling or Dwelling Unit shall mean and refer to a Unit constructed in a Building.

18. Eligible Insurer shall mean and refer to an insurer or governmental guarantor of a Mortgage or trust deed who has requested notice in writing of certain matters from the Association in accordance with this Declaration.

19. Eligible Mortgagee shall mean and refer to a Mortgagee, beneficiary under a trust

deed, or lender who has requested notice in writing of certain matters from the Association in accordance with this Declaration.

20. Eligible Votes shall mean and refer to those votes available to be cast on any issue before the Association or the Board. A vote which is for any reason suspended is not an "Eligible Vote".

21. Guest shall mean and refer to an invitee, temporary visitor or any person whose presence within the Project is approved by or is at the request of a particular Resident.

22. Improvement shall mean and refer to any physical change or addition to the Property to make it more valuable.

23. Limited Common Area shall mean that portion of the property within the Common Area shown on the Plat as dedicated to the exclusive use and enjoyment of the Owner of the Unit to which such Limited Common Area is adjacent and/or appurtenant, and as further provided for herein. Any shutters, awnings, window boxes, doorsteps, porches, balconies, patios, driveways or other apparatus intended to serve a single Unit, but located outside the boundaries of the Unit, shall constitute Limited Common Area appertaining to that Unit exclusively. Limited Common Area shall include any Restricted Limited Common Space assigned by Declarant as further described herein.

24. Majority shall mean and refer to those Eligible Votes of the Owners or other groups as the context may indicate totaling more than fifty (50.01%) percent of the total eligible number.

25. Management Committee shall mean and refer to the Board.

26. Manager shall mean and refer to the person or entity appointed or hired by the Association to manage and operate the Project and/or assist in the administration of the Association.

27. Member, unless the context clearly requires otherwise, shall mean and refer to the Owner of a Unit, each of whom is obligated, by virtue of his ownership to be a member of the Association.

28. Mortgage shall mean and refer to a first Mortgage or first deed of trust on any Unit, but shall not mean or refer to an executory contract of sale.

29. Mortgagee shall mean and refer to a mortgagee under a first Mortgage or a beneficiary under a first deed of trust on any Unit, but shall not mean or refer to a seller under an executory contract of sale.

30. Owner shall mean and refer to the person who is the owner of record (in the office of the County Recorder of Salt Lake County, Utah) of a fee or an undivided fee interest in a Unit, excluding a Mortgagee or a beneficiary or trustee under a deed of trust unless and until such party has acquired title pursuant to foreclosure or any arrangement or proceeding in lieu thereof.

31. Permanent Resident shall mean and refer to anyone who resides in the Project for more than four (4) consecutive weeks or for more than eight (8) weeks in any calendar year.

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

33. Plat Map shall mean and refer to the final plat of "REDWOOD VILLAGE CONDOMINIUM on file in the office of the County Recorder of Salt Lake County, as amended or supplemented from time to time.

34. Project shall mean and refer to the "REDWOOD VILLAGE CONDOMINIUM" project.

35. Project Documents shall mean and refer to the Plat Map, Declaration, Bylaws, Rules and Regulations, and Articles of Incorporation, as amended or supplemented.

36. Property shall mean and refer to all of the land or real estate, improvements and appurtenances submitted to this Declaration.

37. Recreational, Oversized, or Commercial Vehicle shall mean and refer to any recreational, commercial or oversized vehicle, motor home, all-terrain vehicle (ATV), off-road vehicle (ORV), commercial vehicle, tractor, golf cart, mobile home or trailer (either with or without wheels), camper, camper trailer, boat or other watercraft, boat trailer, or any other recreational or commercial transportation device of any kind. For use herein the term "commercial vehicles" shall mean a motor vehicle or trailer used in commerce to transport passengers or property if the motor vehicle (a) has a gross vehicle weight rating of more than 10,000 pounds; (b) has a gross combination weight rating 26,001 pounds or more inclusive of a towed unit(s); or (c) is designed to transport 16 or more passengers, including the driver; or (d) is of any size and is used in the transportation of hazardous materials as defined in this section.

38. Repair shall mean and refer to merely correcting the damage done sometimes by accident or fire or other cause, but more often due to the ravages of time and the deterioration resulting from ordinary wear and tear, by substituting for the damage, decayed or worn-out parts, new material, usually similar to that replaced, and so restoring the structure to its original sound condition.

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

40. Rules and Regulations shall mean rules and regulations as may be adopted and promulgated by the Board pursuant to the Bylaws and this Declaration, as the Board deems necessary or desirable to (i) aid it in administering the affairs of the Association, (ii) insure that the Property is maintained and used in a manner consistent with the interests of the Owners, (iii) regulate the use of the Units, Common Areas and Limited Common Areas and to regulate the personal conduct of the Members and their guests thereon, and (iv) establish penalties and monetary charges for the

infractions of the Project Documents, as such may be amended from time to time.

41. Single Family shall mean and refer to the definition of single family as defined by county ordinance and if there is not one of them to *one* of the following: (a) a single person, (b) a group of natural persons related to each other by blood or legally related to each other by marriage or adoption, and an additional person or persons as a caretaker or as domestic help, or (c) a group of not more than three unrelated persons who maintain a common household..

42. Single Family Residence shall mean and refer to both the architectural style of a Building and Dwelling and the nature of the residential use permitted.

43. Trust Deed for Assessments shall mean the deed of trust created by this Declaration in Article III subsection 36(i) to further secure the Owner's obligations to pay Assessments and to provide the Association with the power of non-judicial trust deed foreclosure provided for in Utah Code Ann. §57-1-19, *et seq.*, as amended from time to time.

44. Unit shall mean and refer to a separate physical part of the Property intended for independent use as shown on the Plat Map, including, when the context requires, the Dwelling constructed thereon, one or more rooms or spaces located in one or more floors or part or parts of floors in a Building. Mechanical equipment and appurtenances located within any one Unit or Dwelling, or located without said Unit or Dwelling but designated and designed to serve only that Unit or Dwelling, such as appliances, electrical receptacles and outlets, air conditioning compressors, furnaces, water heaters, apparatus, systems or equipment, fixtures and the like, shall be considered part of the Unit; so shall all decorated surfaces of interior walls, floors and ceilings, including but not limited to all paint, wallpaper, wall coverings, windows and window frames, doors and door frames, trim, carpeting, tile and linoleum. All pipes, wires, conduits, or other utility lines or installations constituting a part of the Unit or Dwelling or serving only the Unit or Dwelling, and any structural members, parts, components or any other property of any kind, including fixtures or appliances within any Unit or Dwelling, which are removable without jeopardizing the integrity, soundness, safety or usefulness of the remainder of the Building within which the Unit or Dwelling is located shall be deemed to be part of the Unit. Each Unit shall be assigned a separate "parcel" or "tax identification" number by the appropriate governmental agency.

45. Unit Number shall mean and refer to the number, letter or combination thereof designating a particular Unit.

II. SUBMISSION

The real property described with particularity on Exhibit "A" attached hereto and incorporated herein by this reference, and sometimes referred to herein as the Tract or the Property, is hereby submitted to the Declaration.

The Tract is hereby made subject to, and shall be governed by the Declaration, and the covenants, conditions and restrictions set forth herein.

The Tract is hereby made subject to the Utah Condominium Ownership Act as described in Utah Code Ann. §57-8-1, *et seq.*, as amended from time to time (hereinafter referred to as the "Act").

The Property is SUBJECT TO the described easements and rights of way.

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

ALL OF THE FOREGOING IS SUBJECT TO: All liens for current and future taxes, assessments, and charges imposed or levied by governmental or quasi-governmental authorities; all Patent reservation and exclusions; any mineral reservations of record and rights incident thereto; all instruments of record which affect the above-described Tract or any portion thereof, including, without limitation, any Mortgage or deed of trust; all visible and necessary easements and rights-of-way; all easements and rights-of-way of record; any easements, rights of-way, encroachments, or discrepancies shown on or revealed by the Plat Maps or otherwise existing; an easement for each and every Common Area and Common Facilities, including all equipment, pipes, lines, cables, wires, utility systems, or similar facilities which traverse or partially occupy the above-described Tract; and all easements necessary for servicing, repairing, ingress to, egress from, maintenance of, and replacement of all such Common Area and Common Facilities, including all equipment, pipes, lines, cables, wires, utility systems, and similar facilities.

III. COVENANTS, CONDITIONS, AND RESTRICTIONS

The foregoing submission is made upon, under and subject to the following covenants, conditions, and restrictions:

1. Description of Improvements. The improvements included in the Redwood Village Condominium Project are now or will be located on the Tract above described, and all of such improvements are described on the Map. The Map indicates the number of Units which are to be contained in the Buildings which comprise a part of such improvements, the dimensions of the Units, and other significant facts relating to such Buildings and Common Areas. The Project shall be composed of forty-two (42) individual living Units to be contained in seven (7) buildings. The project is composed of two (2) story wood frame, aluminum clad townhouses aesthetically arranged around fully landscaped Common Areas. Each Unit will be provided with an individual rear yard and one covered parking space and one uncovered parking space. The main floor of each condominium space contains a combined living room and dining room, kitchen with full cabinets and garbage disposal, lavatory with toilet and sink, stairs, carpets, electric stove, refrigerator, dishwasher, water heater, utility closet, furnace, electric meter, gas meter, light fixtures, and telephone jacks. The second story contains two bedrooms, a full bath, carpets, light fixtures, linen closet, washer and dryer hookups, and wall air conditioner. There is also a common storage utility building.

2. Description and Legal Status of the Property. The Map shows the Unit Number of each Unit, its location, dimensions from which its areas may be determined, the Limited Common Areas which are reserved for its use, and the Common Areas which are reserved for its use, and the

Common Areas of the Project. The individual living Units shall be legally designed and described by letter and/or number.

3. Unit Descriptions. Each of the units shall be equal in par value and ownership interest in the common areas, and shall be further described as follows:

Units 1 through 6, Building A, Redwood Village Condominiums;
Units 7 through 12, Building B, Redwood Village Condominiums;
Units 13 through 18, Building C, Redwood Village Condominiums;
Units 19 through 24, Building D, Redwood Village Condominiums;
Units 25 through 30, Building E, Redwood Village Condominiums;
Units 31 through 36, Building F, Redwood Village Condominiums;
Units 37 through 42, Building G, Redwood Village Condominiums;

4. Membership in the Association and Voting Allocations.

(a) Membership in the Association. Membership in the Association is mandatory and may not be partitioned from the ownership of a Unit. Each Unit Owner by virtue of his accepting a deed or other document of conveyance to a Unit is deemed to be a member of the Association. Each Unit shall have one (1) vote. No vote shall be cast or counted for any Unit not subject to assessment. When more than one (1) person or entity holds such interest in a Unit, the vote for such Unit shall be exercised as those persons or entities themselves determine and advise the Secretary of the Association prior to any meeting. In the absence of such advice, the vote of the Unit shall be suspended in the event more than one (1) person or entity seeks to exercise it. Any Owner of a Unit which has been leased may, in the lease or other written instrument, assign the voting right appurtenant to that Unit to the lessee, provided that a copy of such instrument is furnished to the Secretary prior to any meeting.

(b) Mortgagee Protection. Nothing shall be done which may impair government financing (e.g., HUD, VA, FHA, FNMA, etc.) Neither Association shall be dissolved or merged or consolidated with any other entity without the prior approval of the government lender.

5. Corporate Status of the Association and Registration.

(a) Incorporation. The Association shall be in the form of a corporation. This provision allows the governing board to unilaterally re-file the articles of incorporation of the Association if its status has been suspended or dissolved, and to adopt the prior bylaws.

(b) Registration With The Department of Commerce.

(1) The Association shall register with the Utah Department of Commerce and pay the Registration Fee. The registration will include: (a) the name and address of the Association; (b) the name, address, telephone number, and, if applicable, e-mail address of the President of the Association; (c) the name and address of each member of the Management

Committee; (d) the name, address, telephone number, and, if the contact person wishes to use e-mail or facsimile transmission for communicating payoff information, the e-mail address or facsimile number, as applicable, of a primary contact person who will provide Association Payoff information.

(2) The Registration shall be updated within ninety (90) days after a change in any of the information provided.

(3) If the Association has failed to register or update its registration with the State of Utah may not record a notice of lien against a Unit or enforce a previous lien.

6. Conveyancing. Any deed, lease, Mortgage, deed of trust, or other instrument conveying or encumbering a Unit shall describe the interest or estate involved substantially as follows:

All of [Building No _____] [Unit No. _____] contained within REDWOOD VILLAGE CONDOMINIUM, as the same is identified in the Plat Map recorded in Salt Lake County, Utah as Entry No. _____ in Book _____ at Page _____ of the official records of the County Recorder of Salt Lake County, Utah (as said Plat Map may have heretofore been amended or supplemented) and in the Declaration of Condominium and Declaration of Covenants, Conditions, and Restrictions of REDWOOD VILLAGE CONDOMINIUM, recorded in Salt Lake County, Utah as Entry No. _____ in Book _____ at Page _____ of the official records of the County Recorder of Salt Lake County, Utah (as said Declaration may have heretofore been supplemented), together with an equal undivided percentage of ownership interest in the Common Areas.

Regardless of whether or not the description employed in any such instrument is in the above-specified form, all provisions of this Declaration shall be binding upon and shall inure to the benefit of any party who acquires any interest in a Unit. Neither the membership in the Association, nor the percentage of undivided ownership interest in the Common Areas, nor the non-exclusive right to use and enjoy the Recreational Amenity shall be separated from the Unit to which it appertains; and, even though not specifically mentioned in the instrument of transfer, such mandatory membership in the Association and such right of undivided ownership interest in the Common Areas shall automatically accompany the transfer of the Unit to which they relate.

7. Rights of Owners. Except as may be specifically set forth in the Project Documents, neither the Board nor the Members may adopt any Rules and Regulations in violation of the following provisions, though where not specifically provided for otherwise the following provisions may be altered by an amendment to this Declaration if permitted by law:

(a) Similar Treatment. Similarly situated Owners and occupants shall be treated similarly.

(b) Religious and Holiday Displays. The rights of Owners and occupants to display religious and holiday signs, symbols, and decorations on their Units of the kinds normally

displayed in residences located in single family residential neighborhoods shall not be abridged, except that the Association may adopt time, place, and manner restrictions regulating displays which are visible from outside the Unit.

(c) Household Composition. No rule shall interfere with the freedom of occupants of Units to determine the composition of their households, except that the Declaration limits residency in a Dwelling to a Single Family and the Association shall have the power to limit the total number of occupants permitted in each Dwelling on the basis of the size and facilities of the Dwelling and its fair share use of the Common Area.

(d) Activities Within Units. No rule shall interfere with the activities carried on within the confines of Units, except that the Association may prohibit activities not normally associated with property restricted to residential use, and it may restrict or prohibit any activities that create monetary costs for the Association or other Owners, that create a danger to the health or safety of occupants of other Units, that generate excessive noise or traffic, that create unsightly conditions visible from outside the Unit, or that create any unreasonable sound or annoyance.

(e) Allocation of Burdens and Benefits. No rule shall alter the basis for allocation of financial burdens among various Units or rights to use the Common Area to the detriment of any Owner over that Owner's objection expressed in writing to the Association. Nothing in this provision shall prevent the Association from changing the use of the Common Area and Limited Common Area, from adopting generally applicable rules for use of Common Area and Limited Common Area, or from denying use privileges to those who abuse the Common Area, violate Project Documents, or fail to pay assessments. This provision does not affect the right to increase the amount of Assessments.

(f) Alienation. Subject to the restrictions found in Section 7 herein, no rule shall prohibit the leasing or transferring of any Dwelling, or require consent of the Association or Board for leasing or transferring of any Unit.

(g) Reasonable Rights to Develop. No rule, amendment to this Declaration, or action by the Association or Board shall unreasonably impede Declarant's right to develop in accordance with the Project Documents and Declarant's plans for the Project, including, but not limited to, the rights of the Declarant as set forth herein.

(h) Abridging Existing Rights. Any rule which would require Owners to dispose of personal property being kept on the Property shall apply prospectively only and shall not require the removal of any property which was being kept on the Property prior to the adoption of such rule and which was in compliance with all Rules and Regulations in force at such time unless otherwise required to be removed by law. The limitations in this subsection shall apply to Rules and Regulations only; they shall not apply to amendments to this Declaration.

(i) Nature and Restrictions on Ownership and Use in General. Each Owner shall have and enjoy the privileges of fee simple ownership of his Unit. There shall be no requirements concerning who may own a Unit, it being intended that they may and shall be owned as any other

property rights by any Person. The Project shall be used only for residential purposes, except as expressly set forth below, and the Common Areas and Limited Common Areas, including the Restricted Limited Common Space, shall only be used in a manner consistent with the residential nature of the Project.

(j) Mandatory Association. Each purchaser of a Unit by virtue of his acceptance of a deed or other document of conveyance shall automatically become a Member of the Association.

(k) Easements and Rights of Way. Declarant hereby grants and conveys to the Association and each Owner and Resident, as well as their family members, tenants, guests and invitees, the non-exclusive and perpetual right to use and access the roads, trail, and common sidewalks for vehicular and pedestrian traffic. In addition, every Member of the Association shall as an Owner have the right and non-exclusive easement to use and enjoy the Common Area and Facilities, including the Recreation Amenity. Such right and easement shall be appurtenant to and shall pass with the title to every Unit, subject to the following restrictions: (1) The right of the Association to limit the number of guests, occupants and residents; (2) The right of the Association to suspend the voting privilege; and (3) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for the purpose of regulating transportation, maintaining the roadways or providing utilities and other similar or related purposes. During the Period of Declarant Control, any such dedication or transfer shall be effective only if approved in writing by the Declarant. Subject to the Project Documents, each Owner shall be entitled to the exclusive ownership and possession of his Unit, to the exclusive use of Limited Common Area appurtenant to the Owner's Unit, including any appurtenant Restricted Limited Common Space, to use the Common Area, to an equal undivided percentage of ownership interest in the Common Area, and to membership in the Association as set forth herein.

(l) Rules and Regulations. The Association, acting through its Board, shall have the power and authority to adopt administrative or house Rules and Regulations, which shall be binding upon all Owners and Residents, and their family, guests, visitors, invitees, and employees.

(m) Restrictions and Limitations of Use. The use of the Units is subject to the following limitations and restrictions (the "Use Restrictions"):

(1) Nuisance. It shall be the responsibility of each Owner and Resident to prevent the creation or maintenance of a nuisance in, on or about the Project. The term "nuisance" includes but is not limited to the following:

a. The development in the opinion of the Board of any unclean, unhealthy, unsightly, or unkempt condition on, in or about his Unit, appurtenant Limited Common Area or the Common Area which jeopardizes the soundness or safety of the property, reduces its value, or impairs an easement or right of way;

b. The storage of any item, property or thing that causes any Unit, Limited Common Area or the Common Area to appear to be in an unclean or untidy condition or that will be noxious to the senses;

c. The storage of any substance, thing or material upon any Unit, Limited Common Area or in the Common Area that emits any foul, unpleasant or noxious odors, or that causes any noise or other condition that disturbs or might disturb the peace, quiet, safety, comfort, or serenity of the other residents at the Project;

d. The creation or maintenance of any noxious or offensive condition or activity in or about any Unit, Limited Common Area or the Common Area;

e. Actions or activities tending to cause embarrassment, discomfort, annoyance, distress or a disturbance to any other residents, their guests or invitees, particularly if the police or sheriff must be called to restore order;

f. Maintaining any plants, animals, devices or items, instruments, equipment, machinery, fixtures, or things of any sort whose activities or existence in any way is illegal, noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Community by other residents, their guests or invitees;

g. Creating or allowing an unreasonable amount of noise or traffic in, on or about any Unit, Limited Common Area or the Common Area, especially after 10:00 p.m. and before 8:00 a.m.; and

h. Violation of U.C.A., Section 78-38-9 (1999) (i.e., drug houses and drug dealing; gambling; group criminal activity; prostitution; weapons; parties), as it may be amended or supplemented from time to time.

(2) Flags, Signs, Religious and Holiday Displays.

a. The Association may not prohibit the display of a U.S. flag inside a Dwelling, Unit, Lot or Limited Common Area, if the care of the flag and display is consistent with federal law. The Association may control and restrict the display of a flag in the Common Area. The rights of Owners and occupants to display religious and holiday signs, symbols, and decorations on their Lots of the kinds normally displayed in residences located in single-family residential neighborhoods shall not be abridged, except that the Association may adopt time, place, and manner restrictions regulating displays which are visible from outside the Lot.

b. No "For Sale" or "For Rent" or other signs or banners are permitted in the Common Area or so as to visible from the street, unless approved in writing by the Board.

(3) Removing Garbage, Dust and Debris. All rubbish, trash, refuse, waste, dust, debris and garbage shall be regularly removed from the Unit and shall not be allowed to accumulate excessively therein.

(4) Subdivision of a Unit. No Unit shall be subdivided or partitioned.

(5) Firearms, Incendiary Devices and Graffiti. The use of firearms and incendiary devices, or the painting of graffiti, within the Project is prohibited. The term firearms includes but is not limited to all guns, pistols, handguns, rifles, automatic weapons, semi-automatic weapons, BB guns, pellet guns, sling shots, wrist-rockets, blow-dart guns, paint-ball guns, and other firearms of all types, regardless of size.

(6) Temporary Structures. No Owner or occupant shall place upon any part of the Project any temporary structures including but not limited to tents, trailers, or sheds, without the prior written consent of the Board.

(7) Trees, Shrubs and Bushes; Maintenance of Proper Sight Distance at Intersections. All property located at or near driveways, entrances, exits, walkways, paths and street intersections or corners shall be landscaped so as to remove any obstructions and to permit safe sight. No fence, wall, hedge, shrub, bush, tree or monument, real or artificial, shall be planted or placed by any Owner or occupant in, on or about the Common. The Board may alter or remove any objects planted or placed in violation of this subsection.

(8) Energy Conservation Equipment. Except in compliance with U.C.A. Section 17-27-601, 10-9a-610 or City ordinance (as the case may require), as such may be amended from time to time, no solar energy collector panels, other energy conservation equipment or attendant hardware shall be constructed or installed on the Project, and such installations must be approved by the Board in advance.

(9) Business Use. Except for Business Use or Trade applicable to a Live-Work Unit, no Business Use or Trade may be conducted in or from any Unit unless: (a) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the Unit; (b) the business activity conforms to all zoning requirements for the Project; (c) the business activity does not involve persons coming onto the Project who do not reside in the Project or door-to-door solicitation of residents of the Project; and (d) the business activity is consistent with the residential character of the Project and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Project, as may be determined in the sole discretion of the Board. Notwithstanding the above, the leasing of a residence shall not be considered a trade or business within the meaning of this sub-Section.

(10) Storage and Parking of Vehicles. The driving, parking, standing and storing of motor vehicles in, on or about the Project shall be subject to the following:

a. The parking Rules and Regulations adopted by the Board from time to time;

b. The parking areas are not designed for Recreational, Oversized, or Commercial Vehicles (as defined in Article I herein) and the Board has the right to make Rules and Regulations restricting or prohibiting their use within the Project. All such vehicles shall be parked in garages or outside the Project, except for purposes of loading and unloading. Eighteen wheelers may not be parked within the Project.

c. No motor vehicle or trailer, including but not limited to any car, automobile, truck, van, Recreational, Oversized, or Commercial Vehicle or any other transportation device of any kind may be parked or stationed (except for purposes of loading or unloading), in such a manner so as to create an obstacle or potentially dangerous situation, or along any street or road, or in front of any parking amenity, sidewalk, walkway, driving lane, Building or Unit, or in an unauthorized portion of the Common Area.

d. Residents may only park their motor vehicles within their driveways, garages, or in other designated Common Areas.

e. No parking is allowed in "red zones," "fire lanes," or unauthorized areas.

f. No Owners or Residents shall disassemble, assemble, repair or restore any vehicle of any kind in, on or about any Unit, Limited Common Area, including a detached garage, or the Common Area, except for emergency repairs, and then only to the extent necessary to enable movement thereof to a proper repair facility.

g. No motor vehicle shall be parked in such a manner as to inhibit or block access to a Building, driving lane, parking space, driveway, garage, entry, exit, or parking area.

h. All parking areas shall be used solely for the parking of motor vehicles used for personal transportation. Disabled or inoperable motor vehicles or trailers, motor vehicles not currently licensed or registered, or vehicles substantially (in the sole opinion of the Board) damaged may not be stored in the street, driveway, or other place so as to be visible to the general public or Residents within the Project boundaries.

i. No parking place may be used or altered so that it parks less than the number of motor vehicles for which it was originally designed.

j. Vehicles parked in violation of this Declaration or parking Rules and Regulations adopted by the Board may be immobilized, impounded, and towed **WITHOUT ADDITIONAL NOTICE** and at the Owner's sole expense. By virtue of bringing a motor vehicle on to the Property, the driver agrees to indemnify, defend, save and hold the Association, Board and members of the Board harmless from any loss, damage or claim caused by or arising out of the immobilizing, impounding, or towing of a motor vehicle pursuant hereto.

k. The parking stalls within the Project designated by a Unit Number on the attached Exhibit "B" which is incorporated in this Declaration by reference (referred to herein as the "Assigned Parking Exhibit"), are Limited Common Area appertaining exclusively to the Units so depicted on the Assigned Parking Exhibit.

(11) Bicycles. Bicycles in the Common Areas must be parked or stored in the bicycle racks or storage areas designated by the Board.

(12) Aerials, Antennas, and Satellite Systems. Antennas and satellite dishes shall be prohibited within the Property, 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 multi point distribution services which are one meter or less in diameter or diagonal measurement; or (c) antennas or satellite dishes designed to receive television broadcast signals ("Permitted Devices") shall be permitted, provided that any such Permitted Device is located within the Unit or another location approved by the Board.

Permitted Devices mounted on the patio, balcony, or deck must extend no higher than the eaves of that portion of the roof of the Dwelling directly in front of such antenna or dish. The Board may adopt rules establishing a preferred hierarchy of alternative locations and requiring screening of all Permitted Devices, so long as such Rules and Regulations do not unreasonably increase the cost of installation, maintenance, or use of the Permitted Device. Anything to the contrary notwithstanding, it is the intent of this document to at all times comply with the applicable federal, state and local laws, and regulations adopted by the FCC -- as they may be amended from time to time. DO NOT INSTALL AN ANTENNA OR SATELLITE DISH OUTSIDE YOUR LOT OR IN THE COMMON AREA WITHOUT THE PRIOR, EXPRESS WRITTEN CONSENT OF THE BOARD AND WITHOUT FOLLOWING THE PROVISIONS OF THIS SECTION. Antennas or Satellite dishes installed by an Owner or resident in violation of this section may be removed by the Board without further notice or warning and at the owner's sole risk and expense.

(13) Window Coverings. No-aluminum foil, newspapers, reflective film coatings, sheets, bedspreads, or any other similar materials may be used to cover the exterior windows of any Building or Dwelling Unit. Sun shades are not allowed on the exterior of any Building.

(14) Windows. All windows and window units in the Project shall be harmonious, and comparable in size, design and quality so as not to detract from uniformity in appearance and quality of construction.

(15) Pets. No pets, animals, livestock or poultry of any kind shall be bred in, on or about the Project. Domestic pets allowed by local ordinance are permitted. In the absence of a local ordinance, up to two (2) domestic pets per Unit are allowed. Pets must be properly licensed and registered by the appropriate governmental agency where required. Pets may not create a nuisance. The following acts may constitute a nuisance: (a) causing damage to the property of anyone other than the pet owner; (b) causing unreasonable fouling of the air by odors; (c) causing unsanitary conditions; (d) defecating on any Limited Common Area or the Common Area when the feces are not immediately cleaned up by the responsible party; (e) barking, howling, whining or making other disturbing noises in an excessive, continuous or untimely fashion; (f) molesting or harassing passersby by lunging at them or chasing passing vehicles; (g) attacking or threatening to attack people or other domestic animals; (h) otherwise acting so as to bother, annoy or disturb other reasonable residents or interfering with their right to the peaceful and quiet enjoyment of their property; (i) the mere number of pets maintained creates an offensive or dangerous condition to the health, welfare or safety of other residents; or (j) a violation of local ordinance. Pets in the Limited Common Area and Common Area must be in a kennel or on a leash and under the control of a

responsible person. Pets may not be tied or tethered in the Common Area, or left unattended in the Limited Common Area. The Board may establish Pet Rules and Regulations and charge a reasonable pet deposit and/or a registration fee.

(16) Wildlife. Capturing, trapping or killing wildlife within the Property is prohibited, except in circumstances posing an imminent threat to the safety of persons or pets using the Property.

(17) Vegetation. Activities which materially disturb or destroy the vegetation, wildlife, or air quality within the Property or which result in unreasonable levels of sound or light pollution are prohibited.

(18) Lubricants, Oil and Gas. Disposal of any oil, gas, or lubricants, and the storage or disposal of other hazardous materials (as may be determined in the Board's reasonable discretion and as defined by applicable law) anywhere within the Property is prohibited.

(19) Electronic Transmitters. No electronic or radio transmitter of any kind, other than garage door openers, shall be located or operated in or on the Property without the prior consent of the Board.

(20) Erosion, Dust or Pollen. Behavior which causes erosion or unreasonable amounts of dust or pollen is prohibited.

(21) Entry and Patio. The Board may adopt reasonable Rules and Regulations to regulate and control the appearance and use of entries and patios within the Project, including by way of illustration but not limitation a regulation limiting items on the patio to "patio furniture"; prohibiting clotheslines and the hanging of clothes and other items over the railings; planters and plants; and the storage of personal property, furnishings, appliances, junk, boxes, furniture, and effects in public view.

(22) Insurance. Nothing shall be done or kept in, on or about any Unit or in the Common Area or Limited Common Area which may result in the cancellation of the insurance on the Property or an increase in the rate of the insurance on the Property, over what the Board, but for such activity, would pay.

(23) Laws. Nothing shall be done or kept in, on or about any Unit or 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.

(24) Damage or Waste. No damage shall be caused to, or waste of, the Common Area and Facilities or Limited Common Area by any Owner or Resident, or their family members, guests or invitees; and each Owner and Resident shall indemnify and hold the Board and the other Owners in the Project harmless against all loss resulting from any such damage or waste caused by that Owner or Resident, or their family members, guests or invitees; provided, however, that any invitee of the Declarant shall not under any circumstances be deemed to be an invitee of any

other Owner.

(25) Structural Alterations. Except in the case of an emergency repair, no structural alterations, plumbing, electrical or similar work within the Common Area and Facilities or Limited Common Area shall be done or permitted by any Owner without the prior, express written consent of the Board. Structural alterations within the footprint of the Building or roof as shown on the Plat Map may be authorized by the unanimous consent of the Board (and governmental agency responsible for the issuing of all building permits, licenses, etc.), and the additional approval of the other Unit Owners shall not be required.

(26) Rules of Conduct.

(a) No resident of the Project shall post any advertisements or posters of any kind in or on the Project except as authorized by the Management Committee in which event any and all signs shall be displayed in a tasteful manner.

(b) Residents shall exercise care in making noises or using musical instruments, radios, television, and amplifiers that may disturb other residents. Keeping domestic animals will be in accordance with Municipal Sanitary Regulations.

(c) Hanging of garments, rugs, and the like, from the windows or from any of the facades of the Project is prohibited.

(d) Dusting and shaking out of rugs and the like, from windows, or by beating on the exterior part of the Project is prohibited.

(e) Throwing of garbage or trash outside of the installations provided for such disposal in the service area is prohibited.

(f) No owner, resident, or lessee shall install wiring for electrical or telephone installation, television and antennae, machines, air condition units, or the like, on the exterior of the Project or that protrude through the walls or the roof of the Project except as authorized by the Committee.

(g) It is expressly agreed upon the REDWOOD VILAGE Homeowners Association that at no time in the future from the date of recordation of the Homeowners Association Declaration shall any Owners or Owners Association make alterations or improvements to the drainage and site retention plans as approved by the West Valley City Public Works Department under the provision of Section 7-5-8.5 and 7-5-11 and any other pertinent sections of the West Valley City Flood Control, Storm Drainage and Water Quality Ordinance of 1982, so as to result in excess waters from storm or flood draining into the City-County Drainage Systems. All proposed alterations or improvements of any nature to the system shall require prior approval by West Valley City Public Works Department.

7. Lease Restrictions and Limitation of Unit Ownership.

(a) Generally. Owners may lease, rent or otherwise grant occupancy rights to their Units subject to the following restrictions: Daily and weekly rentals are prohibited. Initial lease terms must be for at least twelve (12) months. No owner may lease or rent daily or weekly rentals, and rentals for less than thirty (30) days, are prohibited; and no owner may lease or rent individual rooms to separate persons or less than his entire Unit without the written consent of the Board of Directors. The Association or Board may require that Owners use lease forms or rental agreements approved by the Board (or include specific terms protecting the Association in their leases or rental agreements), and may impose a renter's deposit, a review or administration fee or impact fee on the lease or rental of any Unit.

(b) Rental Restrictions. The following rental restrictions shall apply anything to the contrary notwithstanding.

(1) As used in this subsection the terms "rentals" or "rental Unit" shall mean:

(a) a Unit owned by an individual not described in Subsection (1)(b) that is occupied by someone while no Unit owner occupies the Unit as the Unit owner's primary residence; and

(b) a Unit owned by an entity or trust, regardless of who occupies the Unit.

(2) (a) Subject to the provisions set forth below, rentals in excess of twenty percent (20%) of the Units in the Project are prohibited.

(b) Anything to the contrary notwithstanding, the following are exempt from the rental restrictions:

(1) a Unit owner in the military for the period of the Unit owner's deployment;

(2) a Unit occupied by a Unit owner's parent, child, or sibling;

(3) a Unit owner whose employer has relocated the Unit owner for no less than two year;

(4) a Unit owner or Unit determined by the Board of Trustees to constitute a hardship; or

(5) a Unit owned by a trust or other entity created for estate planning purposes if the trust or other estate planning entity was created for:

a) the estate of a current resident of the Unit; or

b) the parent, child, or sibling of the current resident of the Unit;

(c) A Unit owner who has a rental before the date this document is

recorded with the county recorder may continue renting until:

- (1) the Unit owner occupies the Unit; or
- (2) an officer, owner, member, trustee, beneficiary, director, or person holding a similar position of ownership or control of an entity or trust that holds an ownership interest in the Unit, occupies the Unit; and

(d) The Association may create, by rule or resolution, procedures to:

- (1) determine and track the number of rentals and Units in the Project; and
- (2) ensure consistent administration and enforcement of the rental restrictions.

8. Easements.

(a) Grant of Easement. Declarant hereby reserves to itself and grants to the Association, a non-exclusive, perpetual right-of-way and easement over, across and through the Tract, together with the right to use, operate, maintain, repair and replace the Common Areas and Facilities, subject to all of the terms, covenants, conditions and restrictions set forth herein.

(b) Common Use of Easement. Said easement is to be used in common by the Association, Declarant and each Owner, subject to all of the terms, covenants, conditions and restrictions set forth herein.

(c) Private Easement. The easement created is intended to be used as a private non-exclusive easement for the exclusive use and benefit of Declarant, Association and Owners.

(d) Improvements. Improvements, including Buildings, Units, Common Areas and Facilities, Limited Common Area and Restricted Limited Common Space constructed as subsequent phases of the Project may encroach upon portions of the Common Areas and Facilities of earlier phases of the Project. A perpetual easement for such encroachment necessary to repair, maintain and operate such improvements is hereby granted.

(e) Rights of Access. Each Owner shall have the right to ingress and egress over, upon and across the Common Areas and Facilities as necessary for access to the Building and Unit he is occupying and to any Limited Common Area and Restricted Limited Common Space appurtenant to his Unit, and he shall have the right to the horizontal, vertical and lateral support of his Unit.

(f) Declarant's Easement. The Declarant hereby reserves to itself, and its affiliates and assignees, an exclusive easement to make such use of the Common Areas and Facilities as may be necessary or convenient to perform the duties and functions that each is obligated or permitted to perform pursuant to this Declaration, including, without limitation, the right to construct

and maintain the Common Areas and Facilities for use by the Association and Owners.

(g) Construction Easements. The Declarant hereby reserves for itself and its affiliates and assignees a temporary construction easement over the Common Areas and Facilities for the purpose of doing all things that are reasonably necessary as a part of constructing any new improvements for the Project including all physical improvements as well as all Buildings and Units. The Owners by acceptance of a deed or other document of conveyance to a Unit do hereby acknowledge and agree that there will be construction activities, traffic, noises, odors and vibrations which may temporarily disrupt their quiet enjoyment of their property until all improvements are complete, and such Owners do hereby waive any right to object to such construction activity; provided, however, Declarant shall endeavor to use reasonable efforts to minimize the adverse impact of such construction activities on the Owners. Declarant's construction activities pursuant to the easement granted hereunder shall not be considered a violation of the Use Restrictions.

(h) Locations Facilities Easements. Declarant hereby reserves to itself a non-exclusive easement for itself and its affiliates and assignees to construct, operate, maintain, repair and replace all types of telecommunication facilities, including but not limited to roof antennas, within suitable locations for such facilities (the "Locations of Facilities") within the Project. Declarant further reserves a right of access to the Locations of Facilities over, across, and through all other Common Areas and Facilities in order to access the Locations of Facilities to exercise the rights established herein. Declarant reserves the perpetual right to transfer by easement, license agreement or other conveyance the rights reserved hereunder to one or more telecommunication facilities providers. Declarant may exercise all of such rights unilaterally and without the consent of any Owner, Mortgagee or the Association. The Association, for itself and on behalf of all Owners, agrees to execute such further and additional instruments as may be requested by Declarant documenting the rights hereunder, in form satisfactory to the Declarant, and any assignee of its rights hereunder.

(i) Support, Maintenance and Repair. The Declarant hereby reserves to itself and hereby grants to the Association a non-exclusive easement over, across, through, above and under the Units, Buildings, Limited Common Area, Restricted Limited Common Space, and all other Common Area for the (i) location and installation of the main gas line(s), sewer line(s), water line(s) and/or any other utility service lines in the Buildings and (ii) the operation, regulation, maintenance, repair and replacement of said gas line(s), sewer line(s), water line(s), other utility service lines in the Buildings, and other Common Area and Facilities.

9. Liability of Owners and Residents For Damages. Each Owner or Resident shall be liable to the Association, or other Owners or Residents for damages to person or property in the Community caused by his negligence.

10. Encroachments. If any part of the Common Areas and Facilities encroaches or shall hereafter encroach upon a Building or Unit, an easement for such encroachment and for the maintenance of the same shall and does exist. If any part of a Building or Unit encroaches or shall hereafter encroach upon the Common Areas and Facilities, or upon an adjoining Building or Unit, an easement for such encroachment and for the maintenance of the same shall and does exist. Such

easements shall extend for whatever period the encroachment exists. Such encroachments shall not be considered to be encumbrances either on the Common Areas and Facilities, Buildings or Units. Encroachments referred to herein include, but are not limited to, encroachments caused by error in the original construction of any improvement constructed or to be constructed within the Project, by error in the Plat 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.

11. Board. The Association shall be managed by a governing board comprised of at least three (3) and no more than five (5) Unit Owners who shall be duly qualified and elected.

12. Status and General Authority of Board. During the Period of Declarant Control, the Declarant reserves the right to appoint the members of the Board. 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 Association shall, in connection with its exercise of any of the powers delineated below, constitute a legal entity capable of dealing in its name. The Board shall have, and is hereby granted, the following authority and powers:

(a) Access. The Board or Manager shall have the right to have access to each Unit, Limited Common Area, Building, including Restricted Limited Common Space, and the Common Areas and Facilities, including the main gas line(s), sewer line(s), and/or water line(s) located within the Buildings: (1) from time to time during reasonable hours and after reasonable notice to the occupant of the Unit being entered, as may be necessary for the maintenance, repair, or replacement of any of the Common Areas and Facilities; and (2) for making emergency repairs necessary to prevent damage to the Common Areas and Facilities or to another Unit or Units, provided that a reasonable effort is made to provide notice to the occupant of the Unit prior to entry. For purposes of this subsection the term "emergency" means an event or occurrence which threatens to cause substantial and imminent damage to person or property.

(b) Grant Easements. The authority, without the vote or consent of the Owners, Mortgagees, insurers or guarantors of any Mortgage, or of any other person, to grant or create, on such terms as it deems advisable, reasonable permits, licenses, and non-exclusive easements over, under, across, and through the Common Areas for utilities, roads, and other purposes reasonably necessary or useful for the proper maintenance, operation or regulation of the Project.

(c) Execute Documents. The authority to execute and record, on behalf of all Owners, any amendment to the Declaration or Plat Map which has been approved by the vote or consent necessary to authorize such amendment.

(d) Standing. The power to sue and be sued.

(e) Enter Into Contracts. The authority to enter into contracts which in any way concern the Project, so long as any vote or consent necessitated by the subject matter of the agreement has been obtained.

(f) Transfer Interests in Real Property. The power and authority to exchange, convey or transfer, in accordance with the Utah Revised Nonprofit Corporation Act, any interest in real property, so long as it has been approved by at least sixty-seven percent (67%) of the Eligible Votes of the Owners.

(g) To Add or Purchase Property. The power and authority to purchase, otherwise acquire, and accept title to, any interest in real property, so long as it has been approved by at least sixty-seven percent (67%) of the Eligible Votes of the Owners.

(h) Promulgate Rules. The authority to promulgate such reasonable administrative guidelines, rules, regulations, policies 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 applicable law and this Declaration.

(i) Meetings. The authority to establish procedures for the conduct of its meetings, including but not limited to the power to decide what portion of the meeting shall be open or closed to Owners or Residents not on the Board, to retire to executive session, to regulate record keeping, and to allow, control or prohibit the electronic reproduction (video or audio) of Board meetings.

(j) Delegation of Authority. The power and authority to delegate its responsibilities over the management and control of the Common Areas and regulation of the Project to a professional Manager, reserving the right, power and authority, however, to control and oversee the administration thereof.

(k) Sewer and Water Laterals. Pay sewer bills and/or water bills in the event such services are not otherwise billed directly to the Owners from the service provider.

(l) All other Acts. The power and authority to perform any and all other acts, and to enter into any other transactions which may be reasonably necessary for the Board to perform its functions on behalf of the Owners.

13. Delegation of Management Responsibilities. The Board may delegate some of its management responsibilities to a professional management company, an experienced on-site manager, an independent contractor, through service contracts, or any combination thereof. The Manager may be an employee or an independent contractor. The termination provision of any such contract must not require a termination penalty or any advance notice of any more than thirty (30) days, and no such contract or agreement shall be for a term greater than one (1) year. The Board may also employ general laborers, grounds crew, maintenance, bookkeeping, administrative and clerical personnel as necessary to perform its management responsibilities. Anything to the contrary notwithstanding, any management contract may be terminated for cause on thirty (30) days notice in accordance with Title 38, Code of Federal Regulations, Section 36.4360a (f), as it may be amended from time to time.

14. Owners Meetings. The Association shall meet at least annually at a time and place set by the Board.

15. Lists of Unit Owners, Eligible Mortgagees, and Eligible Insurers or Guarantors. The Board shall maintain up-to-date records showing: (a) the name of each person who is an Owner, the address of such person, and the Unit which is owned by him; (b) the name and address of each Resident; (c) the name of each person or entity who is an Eligible Mortgagee, the address of such person or entity, and the Unit which is encumbered by the Mortgage held by such person or entity; and (d) the name of each person or entity who is an Eligible Insurer or Guarantor, the address of such person or entity, and the Unit which is encumbered by the Mortgage insured or guaranteed by such person or entity. In the event of any transfer of a fee or undivided fee interest in a Unit, either the transferor or transferee shall furnish the Board with written evidence verifying that the transfer has occurred, that the Deed or other instrument accomplishing the transfer is of record in the office of the County Recorder of Salt Lake County, Utah, and that the transferee has received a copy of the Declaration and By-Laws then in force. The Board may for all purposes act and rely on the information concerning Unit ownership in its records or, at its option, the records of the county recorder. The address of any Owner shall be deemed to be the address of the Unit owned by such person unless the Board is otherwise advised in writing.

16. Assumption of Risk. The Association may, but shall not be obligated to, sponsor certain activities or provide facilities designed to promote the health, safety, and welfare of Owners and Residents; there are Common Areas and Facilities and recreational amenities in the Project; in, near, or about the Project there are utility lines or utility substations; there are also improvements of a less significant nature. Notwithstanding anything contained herein or in any of the Project Documents, neither the Association, Board, Members of the Board, Officers of the Association, Manager, nor the Declarant shall be liable or legally responsible for, or in any manner a guarantor or insurer of the health, safety or welfare of any Owner or Resident of any Unit or his family members, tenants, guests, or invitees while at the Project, or for any property of any such Persons. Each such Person by accepting a deed or other document of conveyance to a Unit or coming onto the Property hereby assumes all risks associated with the use and enjoyment of the Project, including negligent acts. No provision of the Project Documents shall be interpreted as creating a duty of the Association, Board, Members of the Board, Officers of the Association, Manager, or the Declarant to protect or further the health, safety, or welfare of any Person(s), even if the funds of the Association are used for any such purpose. Each Owner by virtue of his acceptance of title to his Unit and each other Person having an interest in or lien upon, or making any use of, any portion of the Project (by virtue of accepting such interest or lien or making such use) shall be bound by this Section and shall be deemed to have waived any and all rights, claims, demands, and causes of action against the Association, Board, Members of the Board, Officers of the Association, Manager, and the Declarant, and their employees, agents, contractors, subcontractors, successors, and assigns from or connected with the foregoing items.

17. Capital Improvements. All expenses for Capital Improvements shall be governed by and subject to the following conditions, limitations and restrictions:

- (a) Board Discretion/Expenditure Limit. Any Capital Improvement to the Project

which costs twenty-five (25%) or less of the annual operations budget, and does not alter the nature of the Project, may be authorized by the Board alone (the "Capital Improvement Ceiling").

(b) Expenditure Limit Without Consent of Owners. Any Capital Improvement, the cost of which will exceed the Capital Improvement Ceiling, must, prior to the commencement of construction, be authorized by at least a majority of the Eligible Votes of the Owners.

(c) Improvements Changing the Nature of the Project. Any Capital Improvement which would materially alter the nature of the Project must, regardless of its cost and prior to being constructed or accomplished, be authorized by at least sixty-seven (67%) percent of the Eligible Votes of the Owners .

18. Recycling Programs. The Board may establish a recycling program and recycling center within the Project, and in such event all Owners and Residents of Units shall support such program by recycling, to the extent reasonably practical, all materials which the Association's recycling program or center is designed to accommodate. The Association may, but shall have no obligation to, purchase recyclable materials in order to encourage participation, and any income received by the Association as a result of such recycling efforts shall be used to reduce Common Expenses.

19. Provision of Services. The Association may provide services and facilities for the Members of the Association and their guests, lessees and invitees. The Association shall be authorized to enter into contracts or other similar agreements with other entities, including Declarant, to provide such services and facilities. The costs of services and facilities provided by the Association may be funded by the Association as a Common Expense. In addition, the Board shall be authorized to charge additional use and consumption fees for services and facilities. By way of example, some services and facilities which may be provided include snow removal, landscape maintenance, pest control service, cable television service, security, caretaker, fire protection, utilities, and similar services and facilities. The Board shall be permitted to modify or cancel existing services or facilities, if any, or to provide additional services and facilities. Nothing contained herein shall be relied upon as a representation as to what services and facilities, if any, will be provided by the Association. Project water charges, sewer charges and storm water fees shall be paid as a Common Expense in the event such services are not otherwise billed directly to the Owners from the service provider.

20. Views. Neither the Declarant nor the Association guarantees or represents that any view over and across any property, including any Unit, will be preserved without impairment. Any express or implied easements for view purposes or for the passage of light and air are hereby expressly disclaimed.

21. Relationship with Tax-Exempt Organizations. The Association may create, enter into agreements or contracts with, grant exclusive and/or non-exclusive easements over the Common Area to, or transfer portions of the Common Area to non-profit, tax-exempt organizations for the benefit of the Project, the Association, its Members and residents. The Association may contribute money, real or personal property, or services to any such entity. Any such contribution shall be a

Common Expense of the Association and shall be included as a line item in the Association's annual budget. For the purposes of this Section, a "tax-exempt organization" shall mean an entity which is exempt from federal income taxes under the Internal Revenue Code, as may be amended from time to time.

22. The Maintenance Responsibility of the Association. The Association shall maintain, replace, and keep in a state of good repair the following items (collectively "Area of Common Responsibility):

- (a) all Common Area;
- (b) all landscaping, trees, bushes, shrubs, planting beds, flower beds, grass and other plant life in the Common Area and public utility easements;
- (c) all common water service and drainage facilities, including all water features;
- (d) all common arterial sidewalks and walkways;
- (e) all walls and fences which serve as common walls or fences for the Project or which separate any Unit from Common Area, whether or not located on a Unit;
- (f) all landscaping and irrigation systems in the Common Area;
- (g) all common signage and Project entry monuments;
- (h) all streets and rights-of-way, and street lights within the Project (including any streets dedicated to the public if a majority of the Eligible Votes of the Owners approves such maintenance);
- (i) all roofs and exterior surfaces;
- (j) all foundations, columns, girders, beams, supports, and main walls;
- (k) all driveways, entries, landings, and patios;
- (l) all parking areas within the Common Area;
- (m) all installations of common utility services, such as power, gas, sewer and water, including any such service lines running through the Buildings; and
- (n) (o) any other item designated as a common responsibility or responsibility of the Association herein.

23. The Maintenance Responsibility of the Owners. Each Owner shall maintain, repair and replace his Unit and all other landscaping and physical improvements to his Unit not part of the

Common Area of Responsibility (the "Area of Personal Responsibility"). This obligation includes by way of illustration but not limitation the maintenance at his sole expense of the Limited Common Area, all glass, windows, window units, doors, and door units, subject only to the prior written consent of the Board who is obligated to maintain the integrity of the original architectural design, uniformity of appearance, and quality of construction, paint, tile, wax, paper, wall coverings, floor coverings, interior surfaces, ceilings, flooring, plumbing, plumbing fixtures, water heater, furnace, air conditioning unit, lighting fixtures, appliances, disposal, range, refrigerator, dishwasher, microwave, and so forth. Each Owner or Resident shall keep his patio, balcony, deck, driveway, any assigned Limited Common Area and parking and storage spaces broom clean, tidy, and uncluttered in accordance with the Rules and Regulations adopted by the Board. An Owner may construct personal landscaping outside the boundaries of the Unit and within the boundaries of the Limited Common Area appurtenant to the Unit, if any, subject to advance written approval of the Board. The Board may adopt Rules and Regulations concerning the use of the Limited Common Areas and Restricted Limited Common Space.

24. Garbage Pick-up. The Association shall arrange for garbage pick up and removal. Unit Owners shall place their garbage in suitable plastic bags, sacks or containers and deposit them immediately into the designated dumpsters or garbage receptacles.

25. Snow Removal. The Association shall arrange for snow removal from all common arterial sidewalks and walkways that lie within the Association's Area of Common Responsibility. The Association shall have the right, but not the obligation, to arrange for snow removal from any Limited Common Area. Each Owner or Resident is solely responsible for snow removal from his patio, balcony, deck CAN BE REMOVED, driveway, walkways, and parking areas appurtenant to his Unit.

26. Standard of Care - Generally. The Property shall be maintained in a usable, clean, functional, safe, healthy, sanitary, attractive, and good condition, consistent with the Community Wide Standard. If a dispute arises between a Unit Owner or a Resident as to the condition of a Unit, the decision of the Board shall be final and conclusive.

27. Standard of Care - Landscaping. All landscaping, if any, permitted by the Board in the Limited Common Areas shall be maintained and cared for in a manner consistent with the Community Wide Standard and the quality of design and construction originally established by Declarant. Specific guidelines and restrictions on landscaping may be established by the Board from time to time. All landscaping shall be maintained in a neat and orderly condition. Any weeds or diseased or dead lawn, trees, ground cover or shrubbery shall be removed and replaced. All lawn areas shall be neatly mowed and trees, shrubs and bushes shall be properly pruned and trimmed. In short, all landscaping shall be tasteful, so as not to affect adversely the value or use of any other Unit, or to detract from the uniform design and appearance of the Project.

28. Neglect. If the Board determines that any Owner has failed or refused to discharge properly his obligation with regard to the maintenance, repair, or replacement of items for which he is responsible hereunder; or that the need for maintenance, repair, or replacement of the Common Area is caused through the willful or negligent act of any Owner, his family, guests, lessees, or

invitees, and it is not covered or paid by insurance, in whole or in part, then the Association may, but is not obligated to, provide such maintenance, repair or replacement at the Owner's sole cost and expense, subject to the following:

(a) Notice of Intent to Repair. Except in an emergency situation, the Association shall give the Owner written notice of the Association's intent to provide necessary maintenance, repair, or replacement at Owner's cost and expense. The notice shall set forth with reasonable particularity the maintenance, repair, or replacement deemed necessary by the Board. The Owner shall have ten (10) days after receipt of notice within which to complete the maintenance, replacement or repair, or if the maintenance, replacement or repair is not capable of completion within such time period, to commence the maintenance, replacement or repair within ten (10) days.

(b) Emergency Situation. If the Board determines that an emergency exists, then notice and the opportunity to cure the default is not necessary.

(c) Optional Repairs. The Association may, but is not obligated to, provide any such maintenance, repair, or replacement in the manner described above.

(d) Costs and Expenses. Costs incurred by the Association in the performance of an item included in the Area of Personal Responsibility shall be added to and become a part of the Assessment to which such Owner and Unit is subject, and shall be secured by a lien against his Unit regardless of whether a notice of lien is filed.

29. Changes to Areas of Personal or Common Responsibility. The Board may, in its sole discretion, add items to or subtract items from the Areas of Personal or Common Responsibility upon at least thirty (30) days prior written notice to the Unit Owners.

30. Alterations to the Common Area. Anything to the contrary notwithstanding and until the termination of the Period of Declarant Control, the Declarant may make changes to the Common Area without the consent of either the Association or the Board. No Owner or Resident may at any time modify the drainage patterns or systems, landscaping, or make any structural alterations, modifications, changes or improvements to the Building, Limited Common Area, Restricted Limited Common Space, or other Common Area or Facilities, including but not limited to the construction or installation of any additions, and the extension or enclosure of any existing structures (e.g., fencing, decks, patios, walkways or sheds, etc.) not shown on the approved plans and specifications, without the prior written consent of the Board.

31. Common Expenses. Each Owner shall pay his Assessments subject to and in accordance with the procedures set forth below.

(a) Purpose of Common Area Expenses. The Assessments provided for herein shall be used for the general purpose of operating the Project, promoting the recreation, health, safety, welfare, common benefit and enjoyment of the Owners and Residents, including the maintenance of any real and personal property owned by the Association, and regulating the Community, all as may be more specifically authorized from time to time by the Board. . In

addition, the Assessments provided for herein shall be used for the general purpose of maintaining the Recreation Amenity.

(b) Budget. The Board shall provide to the Owners a proposed Budget at the Annual Homeowners Meeting.

(1) Itemization. The Budget shall set forth an itemization of the anticipated Common Expenses (including that portion earmarked for the reserve account(s) and the Association's proportionate share of the cost of maintaining the Recreation Amenity) for the twelve (12) month calendar year, commencing with the following January 1.

(2) Basis. The Budget shall be based upon advance estimates of cash requirements by the Board to provide for the payment of all estimated expenses growing out of or connected with the maintenance and operation of the Common Areas, and regulation of the Association, which estimate shall include but is not limited to expenses of management, grounds maintenance, taxes and special assessments, premiums for all insurance which the Board is required or permitted to maintain, common lighting and heating, common water charges, trash collection, storm drain fees, common sewer charges, sewer maintenance costs, carpeting, painting, repairs and maintenance of the Common Areas, and replacement of those elements of the Common Areas that must be replaced on a periodic basis, wages for Board employees, legal and accounting fees, any deficit remaining from a previous period; the creation of a reasonable contingency reserve, surplus or sinking fund, Capital Improvement reserve, and other expenses and liabilities which may be incurred by the Association for the benefit of the Owners under and by reason of this Declaration.

(3) Approval. The Owners may call a special meeting within forty-five (45) days of the meeting providing the proposed Budget to vote to disapprove the Budget, although to set it aside and to reject a proposed Budget requires the affirmative written consent of at least a majority of total ownership. If the new budget is disapproved, then the prior year's budget continues.

(c) Apportionment. The common profits, losses and voting rights of the Project shall be distributed among, and the Common Expenses shall be charged to, the Unit Owners equally and uniformly.

(d) Approval of Budget and Assessments. The proposed Budget and the Assessments shall become effective unless disapproved at the Annual Meeting by a vote of at least a majority of the Eligible Votes of the Owners. Notwithstanding the foregoing, however, if the membership disapproves the proposed budget and Assessments or the Board fails for any reason to establish the Budget and Assessments for the succeeding year, then and until such time as a new budget and new Assessment schedule shall have been established, the Budget and the Assessments in affect for the then current year shall continue for the succeeding year.

(e) Payment of Assessments. The Board has the sole authority and discretion to determine how and when the annual Assessments are paid.

(f) Personal Obligation of Owner. Owners are liable to pay all Assessments assessed and Additional Charges, including each Owner's share of the cost of maintaining the Recreation Amenity; provided, however, no first Mortgagee or beneficiary under a first deed of trust (but not the Seller under a uniform real estate contract, land sales contract, or other similar instrument), who obtains title to a Unit pursuant to the remedies provided in the Mortgage or trust deed shall be liable for unpaid Assessments which accrued prior to the acquisition of title. For purposes of this Section, the term "Owner" shall mean and refer jointly and severally to: (1) the Owner of both the legal and equitable interest in any Unit; (2) the owner of record in the offices of the County Recorder of Salt Lake County, Utah; and (3) both the Buyer and Seller under any executory sales contract or other similar instrument.

(g) Equitable Changes. If the aggregate of all monthly payments on all of the Units is too large or too small as a result of unanticipated income or expenses, the Board may from time to time effect an equitable change in the amount of said payments, but, without the prior approval of a majority of the Eligible Votes of the Owners, not greater than fifteen (15%) percent of the Assessment in any calendar year. Owners shall be given at least thirty (30) days written notice of any changes.

(h) Reserve Analysis and Reserve Fund.

(1) As used in this section, the term "reserve analysis" means an analysis to determine: (a) the need for a reserve fund to accumulate money to cover the cost of repairing, replacing, and restoring common areas and facilities that have a useful life of three years or more, but excluding any cost that can reasonably be funded from the general budget or other funds of the association of unit owners; and (b) the appropriate amount of any reserve fund.

(2) The Management Committee shall cause a reserve analysis and updates to be conducted no less frequently than is required by statute.

(3) The Management Committee may conduct a reserve analysis itself or may engage a reliable person or organization, as determined by the Management Committee, to conduct the reserve analysis.

(4) The Management Committee may not use money in a reserve fund: (i) for daily maintenance expenses, unless a majority of the members of the Association vote to approve the use of reserve fund money for that purpose; or (ii) for any purpose other than the purpose for which the reserve fund was established.

(5) The Management Committee shall maintain a reserve fund separate from other funds of the Association.

(6) This Subsection (4) may not be construed to limit the Management Committee from prudently investing money in a reserve fund provided it is government insured.

(7) The Association shall: (a) annually, at the annual meeting of the Association or at a special meeting of the Association: (i) present the reserve study; and (ii) provide an opportunity for Unit Owners to discuss reserves and to vote on whether to fund a reserve fund and, if so, how to fund it and in what amount; (b) prepare and keep minutes of each meeting so held and indicate in the minutes any decision relating to funding a reserve fund; provided, however, and anything to the contrary notwithstanding, the Association shall fund and maintain a reserve account sufficient to satisfy the requirements for certification by the US Department of Housing and Urban Development.¹

(i) Statement of Assessments Due. Upon written request, the Board shall furnish to any Owner a statement of Assessments due, if any, on his Unit. Failure to provide the certificate within ten (10) days after a written request is received by the Secretary shall be deemed conclusive evidence that all Assessments are paid current. The Association may require the advance payment of a processing charge not to exceed \$25.00 (or the amount allowed by statute) for the issuance of such certificate.

(j) Superiority of Assessments. All Assessments and liens created to secure the obligation to pay Assessments are superior to any homestead exemptions to which an Owner may be entitled which, insofar as it adversely affects the Association's lien securing unpaid Assessments, each Owner, by accepting a deed or other document of conveyance to a Unit, hereby subordinates and waives.

(k) Annual Assessments. Annual Assessments shall be used to satisfy Common Expenses of the Association. The Annual Assessments may be payable in twelve (12) equal monthly installments due on the first day of each month. The Annual Assessment shall be based upon the Budget prepared by the Board. The Board shall authorize and levy the amount of the Annual Assessment upon each Unit, as provided herein, by a majority vote of the Board.

(l) Providing Payoff Information.

(1) The Association may charge a fee for providing Association payoff information needed in connection with the closing of a Unit Owner's financing, refinancing, or sale of the Owner's Unit (the "Payoff Fee").

(2) The Association may not require that the Payoff Fee be paid before closing and the Payoff Fee may not exceed \$50 without a change in the statute.

(3) If the Association fails to provide the payoff information requested within five (5) business days after the closing agent requests the information may not enforce a lien against that Unit for money due to the association at closing; provided, however, a request shall not be considered effective unless the request is conveyed in writing to the designated contact person for the Association on record with the State of Utah and contains: (1) the name, telephone number, and address of the person making the request; and (2) the facsimile number or email address for delivery

¹ Currently HUD requires a 10% reserve fund and a 10% contribution from annual assessments as they accrue.

of the payoff information; and (3) is accompanied by a written consent for the release of the payoff information: (a) identifying the person requesting the information as a person to whom the payoff information may be released; and (b) signed and dated by an Owner of the Unit for which the payoff information is requested.

33. Special Assessments. The Board may levy Special Assessments in any year.

34. Individual Assessments. Individual Assessments shall be levied by the Board against a Unit and its Owner to reimburse the Association for: (a) administrative costs and expenses incurred by the Board in enforcing the Project Documents; (b) costs associated with the maintenance, repair or replacement of Common Area for which the Unit Owner is responsible; (c) any additional charges and (d) legal fees and costs.

35. Collection of Assessments. Time is of the essence. Payments are due in advance on the first of the month. Payments are late if received after the fifteenth (15) day of the month in which they were due.

(a) Delinquent Accounts. Any Assessment not paid when due shall be considered delinquent.

(b) Late Fees. The Board may charge and shall determine the amount of a late fee.

(c) Default Interest. The Board may charge and shall determine the rate of default interest on the outstanding balance of any delinquent account.

(d) Lien. If any Unit Owner fails or refuses to make any payment of any Assessment or his portion of the Common Expenses, including his or her share of the cost of maintaining the Recreation Amenity, when due, that amount shall constitute a lien on the interest of the Owner in the Property, and upon the recording of notice of lien by the Manager, Board or their designee it is a lien upon the Owner's interest in the Property prior to all other liens and encumbrances, recorded or unrecorded, except: (1) tax and special assessment liens on the Unit in favor of any assessing unit or special improvement district; and (2) encumbrances on the interest of the Owner recorded prior to the date such notice is recorded which by law would be a lien prior to subsequently recorded encumbrances.

(e) Foreclosure of Lien and/or Collection Action. If the Assessments remain unpaid, the Association may, as determined by the Board, and in addition to any other remedies allowed by law or equity:

- 1) institute suit to obtain a personal judgment;
- 2) foreclose the lien securing the debt;
- 3) after statutory notice has been provided collect rents directly from the

renter of the Unit; and/or

4) after statutory notice has been provided suspend utilities individually metered but paid for with common funds and/or the right to use the recreational amenities.

(f) Personal Obligation. Each Owner, by acceptance of a deed or as a party to any other type of conveyance, vests in the Association or its agents the right and power to bring all actions against him personally for the collection of the charges as a debt or to foreclose the lien in the same manner as mechanics liens, Mortgages, trust deeds or encumbrances may be foreclosed.

(g) No Waiver. No Owner may waive or otherwise exempt himself or herself from liability for the Assessments provided for herein, including but not limited to the non-use of Common Areas or the abandonment of his Unit.

(h) Duty to Pay Independent. No reduction or abatement of Assessments shall be claimed or allowed by reason of any alleged failure of the Association or Board to take some action or perform some function required to be taken or performed by the Association or Board under this Declaration or the Bylaws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority, the obligation to pay Assessments being a separate and independent covenant on the part of each Owner.

(i) Foreclosure of Lien as Mortgage or Trust Deed. The lien for nonpayment of Assessments may be enforced by sale or foreclosure of the Owner's interest therein by the Board. The sale or foreclosure shall be conducted in the same manner as foreclosures in deeds of trust or Mortgages or in any other manner permitted by law, including by way of illustration but not limitation a judicial and/or non-judicial sale. In any foreclosure or sale, the Owner shall pay the costs and expenses of such proceedings, including but not limited to the cost of a foreclosure report, reasonable attorney's fees, and a reasonable rental for the Unit during the pendency of the foreclosure action. The Association in the foreclosure action may require the appointment of a receiver to collect the rental without regard to the value of the Mortgage security. The Board may bid for the Unit at foreclosure or other sale and hold, lease, Mortgage, or convey the same.

(j) Trust Deed for Assessments. By acceptance of a deed for a Unit, each Owner as Trustor conveys and warrants to Trustee in trust for the Association, as Beneficiary, with power of sale, the Owner's Unit and appurtenant Limited Common Area, and all improvements thereon for the purpose of securing payment of all Assessments (including basis of collection) provided for in this Declaration. For purposes of this Section and Utah Code Ann. §§57-1-19, *et seq.*, as amended from time to time, the Trustee shall mean the attorney for the Association, and the Association may provide notice and disclosure of the Trustee by recording an "Appointment of Trustee" on the records of the local County Recorder. Each Owner hereby also grants to the Association and Trustee all powers and rights of non-judicial trust deed foreclosure provided for in Utah Code Ann. §§57-1-19, *et seq.*

(k) Discontinuance of Common Utility Service and Suspension of Common Facility Use. If an Owner fails or refuses to pay an Assessment when due, the Board may, after giving notice and an opportunity to be heard as provided for below, terminate an Owner's right: (1) to receive utility services paid as a Common Expense; and (2) to access and use of Recreation Amenity. Before terminating utility services or right of access and use of the Recreation Amenity, the Manager or Board shall give written notice to the Owner in the manner provided in the Bylaws. The notice shall inform the Owner (i) that utility service or right of access and use of recreational facilities will be terminated if payment of the Assessment is not received within thirty (30) days; (ii) of the amount of the Assessment due, including any interest or late payment fee; and (iii) of the right to request a hearing as provided for in this Section. An Owner who is given notice may request an informal hearing to dispute the Assessment by submitting a written request to the Board within fourteen (14) days after the date on which the Owner receives the notice. The hearing shall be conducted by the Board in accordance with the standards provided in the Bylaws. If a hearing is requested, utility services or right of access and use of Recreation Amenity may not be terminated until after the hearing has been conducted and a final decision has been entered. Upon payment of the Assessment due, including any interest or late payment fee, the Manager or Board shall immediately take action to reinstate the terminated utility services and right of access and use of recreational facilities.

(l) Priority of First Mortgage. Any first mortgagee, grantee or purchaser who obtains title to a Unit pursuant to the remedies in the mortgage or trust deed or through foreclosure or an involuntary sale, including by way of illustration but not limitation, a trustee's deed or deed in lieu of foreclosure, will not be liable for any of the unpaid regularly budgeted, special or other assessments, dues or charges which accrued before acquisition of the title to the property by said first mortgagee, grantee or purchaser. All other grantees who obtain title to a Unit in a voluntary conveyance shall be jointly and severally liable with the grantor for all unpaid assessments, regularly budgeted, special or other assessments, dues, charges, late fees, default interest and collection costs, including a reasonable attorneys fee, against the Unit, without prejudice to the grantee's rights to recover from the grantor the amounts paid by the grantee.

36. Reinvestment Fee. The Association may charge buyers or sellers a reinvestment fee in accordance with Utah law.

37. Liability of Board. The Association shall indemnify every officer and member of the Board against any and all expenses, including but not limited to attorney's fees reasonably incurred by or imposed upon any officer or member of the Board in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board) to which he may be a party by reason of being or having been an officer or member of the Board. The officers and members of the Board shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct or bad faith. The officers and members of the Board shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or members of the Board may also be Members of the Association), and the Association shall indemnify and forever hold each such officer and member of the Board free and harmless against any and all liability to others on account of any such contract or commitment. Any

right to indemnification provided for herein shall be exclusive of any other rights to which any officer or member of the Board, or former officer or member of the Board, may be entitled. The Association shall, as a Common Expense, maintain adequate general liability and officer's and director's insurance coverage to fund this obligation, if such insurance is reasonably available.

38. Insurance.

(a) Association's Required Coverage. The Association must maintain the following insurance coverage, at least to the extent it is reasonably available:

(1) Property insurance on ALL structures, including ALL Common Area and Facilities, and Units; and

(2) Public liability insurance.

(3) If any provision of this Section is held to be (a) inconsistent, incongruent or in conflict with the insurance requirements as set forth in the Act or (b) illegal, invalid, or unenforceable under any present or future law, then that provision will be fully severable. This Section will be construed and enforced as if the (a) inconsistent, incongruent or in conflict with the insurance requirements as set forth in the Act or (b) illegal, invalid, or unenforceable provision had never comprised a part hereof, and the remaining provisions of this Section will remain in full force and effect and will not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Section. Furthermore, in lieu of each such (a) inconsistent, incongruent or in conflict with the insurance requirements as set forth in the Act or (b) illegal, invalid, or unenforceable provision, there will be added automatically, as a part of this Section, a provision as similar in terms to such (a) inconsistent, incongruent or in conflict with the insurance requirements as set forth in the Act or (b) illegal, invalid, or unenforceable provision as may be possible and be legal, valid and enforceable.

(b) Denial or Cancellation of Coverage. If property or liability insurance is not reasonably available, then fair and reasonable notice must be given to the owners within seven (7) days.

(c) Additional Coverage. The Association may purchase additional or greater coverage.²

(d). Property Insurance. The Property Insurance coverage must include:

(1) All common area; and

(2) The Unit, including ALL fixtures, floor coverings, wall coverings,

² Such as Earthquake Insurance, fidelity bond (e.g., a sum equal to 3 months' assessments and all of the money in reserve or contingency funds), directors and officers insurance, coverage for defamation, and coverage for defense of housing discrimination claim, etc..

cabinets, heating and plumbing fixtures, windows, any (other) item permanently attached.³

(3) The Property Insurance must be for at least 100% of the FULL replacement cost of the item at the time insurance is purchased and at the renewal date.

(4) The Association is not obligated to insure detached Units; that is, a Unit if the Unit is NOT physically attached to another Unit or to an above-ground structure that is part of the Common Area.

(5) When a claim is covered by the Association's Property Insurance AND the Unit Owner's Property Insurance, the Association's Property Insurance is considered PRIMARY. The Unit Owner's insurance may apply to the deductible.

(6) If a Unit Owner makes a claim on the Association's Property Insurance policy, then the Owner is responsible for the deductible.

(7) If two (2) or more Unit Owner's make a claim arising out of a single event, then each Owner is responsible for payment of his or her portion of the deductible based upon his or her percentage of the loss .

(8) If a Unit Owner fails to pay his or her share of the loss/deductible, then the Association may assess an assessment against the Owner/Unit, and file a lien against the Unit to secure payment.

(9) For each such claim the Association must set aside the amount of the deductible or \$10,000.

(10) Also, the Association must give notice to ALL Unit Owners of (a) the amount of the deductible and (b) their obligation to pay the Association's deductible if a claim is filed, and (c) provide follow-up notice of any change to the amount of the deductible.

(11) THE ASSOCIATION IS NOT OBLIGATED TO SUBMIT A CLAIM TO ITS PROPERTY INSURANCE CARRIER IF THE GOVERNING BOARD DETERMINES THAT IN ITS REASONABLE BUSINESS JUDGMENT THE AMOUNT OF THE CLAIM IS UNLIKELY TO EXCEED THE INSURANCE DEDUCTIBLE AND, IF SO, THE UNIT OWNER'S INSURANCE POLICY PROVIDES THE PRIMARY COVERAGE, OR IF THE UNIT OWNER IS UNINSURED, THEN HE OR SHE WILL BE LIABLE FOR THE LOSS UP TO THE AMOUNT OF THE DEDUCTIBLE.

(12) When the Association receives insurance proceeds from its Property Insurance carrier, the association receives the insurance proceeds in trust for the Owner(s) and the Association.

³ The tongue and cheek rule of thumb is can it be removed in 10 minutes with a screw driver and pliers without damaging the structure.

(e) Liability Insurance.

(1) The Association must obtain public liability insurance.

(2) The Association may purchase more public liability insurance than is required by the governing documents.

(3) Each Unit Owner is considered an "insured" under the public liability policy purchased by the Association.

(f) Worker's Compensation Insurance. The Association shall obtain worker's compensation insurance to cover its employees.

(g) Fidelity Bond. The Association shall obtain insurance or a fidelity bond covering an employee dishonesty in an amount equal to three (3) months of HOA fee income plus the amount of funds held in the reserve account.

39. Destruction, Condemnation, and Obsolescence. The following provisions shall apply with respect to the destruction, condemnation, or obsolescence of the Project.

(a) Definitions. Each of the following terms shall have the meaning indicated:

(1) "Substantial Destruction" shall exist whenever, as a result of any damage or destruction to the Project or any part thereof, the excess of the estimated cost of Restoration over the funds available is twenty five percent (25%) percent or more of the estimated Restored Value of the Project.

(2) "Partial Destruction" shall mean any other damage or destruction to the Project or any part thereof which does not constitute Substantial Destruction.

(3) "Substantial Condemnation" shall exist whenever a complete taking of the Project or a taking of part of the Project has occurred under eminent domain or by grant or conveyance in lieu of condemnation, and the excess of the estimated cost of Restoration over the funds available is twenty five (25%) percent or more of the estimated Restored Value of the Project.

(4) "Partial Condemnation" shall mean any other taking by eminent domain or grant or conveyance in lieu thereof which does not constitute Substantial Condemnation.

(5) "Substantial Obsolescence" shall exist whenever the Project or any part thereof has reached such a state of obsolescence or disrepair that the excess of the estimated cost of Restoration over the funds available is twenty five percent (25%) percent or more of the estimated Restored Value of the Project.

(6) "Partial Obsolescence" shall mean any state of obsolescence or disrepair which does not constitute Substantial Obsolescence.

(7) "Restored Value" shall mean the fair market value of the Project after Restoration as determined by an MAI or other qualified appraisal.

(8) "Estimated Cost of Restoration" shall mean the estimated costs of restoring the Project to its former condition.

(9) "Available Funds" shall mean any proceeds of insurance, condemnation awards, payments in lieu of condemnation, and any uncommitted funds of the Board or Association. Available Funds shall not include that portion of insurance proceeds legally required to be paid to any party other than the Association, including a Mortgagee, or that portion of any condemnation award or payment in lieu of condemnation payable to the Owner or Mortgagee for the condemnation or taking of the Unit in which they are interested.

(b) Determination by Board. Upon the occurrence of any damage or destruction to the Project or any part thereof, or upon a complete or partial taking of the Project under eminent domain or by grant or conveyance in lieu thereof, the Board shall make a determination as to whether the excess of Estimated Cost of Restoration over Available Funds is twenty-five percent (25%) or more of the estimated Restored Value of the Project. In addition, the Board shall, from time to time, review the condition of the Project to determine whether Substantial Obsolescence exists. In making such determinations the Board may retain and rely upon one or more qualified appraisers or other professionals.

(c) Restoration of the Project. Restoration of the Project shall be undertaken by the Board promptly without a vote of the Owners in the event of Partial Destruction, Partial Condemnation, or Partial Obsolescence and shall also be undertaken in the event of Substantial Destruction, Substantial Condemnation, or Substantial Obsolescence unless the failure to make Restoration is consented to by Owners collectively holding at least sixty-seven (67%) percent of the Project's Eligible Votes of the Owners and is further consented to by at least fifty-one (51%) percent of the Eligible Mortgagees.

(d) Notices of Destruction or Obsolescence. Within thirty (30) days after the Board has determined that Substantial Destruction, Substantial Condemnation, or Substantial Obsolescence exists, it shall send to each Owner and Eligible Mortgagee a written description of the destruction, condemnation, or state of obsolescence involved, shall take appropriate steps to ascertain the preferences of the Eligible Mortgagees concerning Restoration, and shall, with or without a meeting of the Owners (but in any event in accordance with the applicable provisions of this Declaration), take appropriate steps to determine the preferences of the Owners regarding Restoration.

(e) Excess Insurance. In the event insurance proceeds, condemnation awards, or payments in lieu of condemnation actually received by the Board or Association exceed the cost of Restoration when Restoration is undertaken, the excess shall be paid and distributed to the Owners in proportion to their respective undivided interests in the Common Areas. Payment to any Owner whose Unit is the subject of a Mortgage shall be made jointly to such Owner and the interested

Mortgagee.

(f) Inadequate Insurance. If the cost of Restoration exceeds Available Funds, the Board may elect to make a Special Assessment in accordance with this Declaration to pay for the deficiency.

(g) Reallocation in Event of Partial Restoration. In the event that all or any portion of one or more Units will not be the subject of Restoration (even though the Project will continue as a condominium development) or is taken in a condemnation proceeding or pursuant to any agreement in lieu thereof, the undivided Ownership interest in the Common Areas and Facilities shall be immediately reallocated to the remaining Units.

(h) Sale of Project. Unless Restoration is accomplished as set forth above, the Project shall be sold in the event of Substantial Destruction, Substantial Condemnation, or Substantial Obsolescence. In the event of such sale, ownership under this Declaration and the Plat Map shall terminate and the proceeds of sale and any Available Funds shall be distributed by the Board to the Owners in proportion to their respective undivided interests in the Common Areas. Payment to any Owner whose Unit is then the subject of a Mortgage shall be made jointly to such Owner and the interested Mortgagee.

(i) Authority of Board to Represent Owners in Condemnation or to Restore or Sell. The Board, as attorney-in-fact for each Owner, shall represent all of the Owners and the Association in any condemnation proceeding or in negotiations, settlements, and agreements with the condemning authority for the acquisition of all or any part of the Common Areas and Facilities.

(j) Settlement Proceeds. The award in any condemnation proceeding and the proceeds of any settlement related thereto shall be payable to the Association for the use and benefit of the Owners and their Mortgagees as their interests may appear.

(k) Restoration Power. The Board, as attorney-in-fact for each Owner, shall have and is hereby granted full power and authority to restore or to sell the Project and each Unit therein whenever Restoration or sale, as the case may be, is undertaken as hereinabove provided. Such authority shall include the right and power to enter into any contracts, deeds or other instruments which may be necessary or appropriate for Restoration or sale, as the case may be.

(l) Termination of Legal Status. Any action to terminate the legal status of the Project after Substantial Destruction or Condemnation occurs shall be agreed to by Unit Owners who represent at least sixty-seven (67%) percent of the Eligible Votes of the Owners and by at least fifty-one (51%) percent of the Eligible Mortgagees. The termination of the legal status of the Project for reasons other than Substantial Destruction or Condemnation of the property shall be agreed to by at least sixty-seven (67%) percent of the Eligible Mortgagees. However, implied approval may be assumed when an Eligible Mortgagee fails to submit a response to any written proposal for an amendment within sixty (60) days after it receives proper notice of the proposal, provided the notice was delivered by certified or registered mail, with a "return receipt" requested.

40. Consent in Lieu of Vote. In any case in which this Declaration requires the vote of an Owner for authorization or approval of an act or a transaction, such requirement may be fully satisfied by obtaining, with or without a meeting, consents in writing to such transaction from Units which collectively hold the required percentages, subject to the following conditions:

(a) Sixty-Day Limit. All necessary consents must be obtained prior to the expiration of sixty (60) days from the time the first written consent is obtained; and

(b) Change In Ownership. Any change in Ownership of a Unit which occurs after consent has been obtained from the Owner having an interest therein shall not be considered or taken into account for any purpose; and

(c) Compliance with Statutes. Any such consent in lieu must also comply with the requirements of the Utah Revised Nonprofit Corporation Act (the "URNPCA"), as amended from time to time. In the event of any conflict between the provisions of this Declaration, the Act and the URNPCA, the latter shall in all respects govern and control.

41. Mortgagee Protection. Nothing herein contained, and no violation of these covenants, conditions and restrictions, shall invalidate or impair the lien of any Mortgage or deed of trust, given in good faith and for value, including by way of illustration but not limitation the security interest in a Lot and its appurtenant interest in the Association, the Common Area and Facilities, and/or the non-exclusive right to access and use the Recreation Amenity. Mortgagees are excluded from any leasing or rental restrictions when obtaining or after obtaining a Unit in foreclosure. The lien or claim against a Unit for unpaid Assessments levied by the Board or by the Association pursuant to this Declaration shall be subordinate to any Mortgage recorded on or before the date such Assessments become due. In addition:

(a) Effects of Involuntary Sale. Any first mortgagee, grantee or purchaser who obtains title to a Unit pursuant to the remedies in the mortgage or trust deed or through foreclosure or an involuntary sale, including by way of illustration but not limitation, a trustee's deed or deed in lieu of foreclosure, will not be liable for any of the unpaid regularly budgeted, special or other assessments, dues or charges which accrued before acquisition of the title to the property by said first mortgagee, grantee or purchaser. All other grantees who obtain title to a Unit in a voluntary conveyance shall be jointly and severally liable with the grantor for all unpaid assessments, regularly budgeted, special or other assessments, dues, charges, late fees, default interest and collection costs, including a reasonable attorneys fee, against the Unit, without prejudice to the grantee's rights to recover from the grantor the amounts paid by the grantee.

(b) Books and Records Available for Inspection. The Board or the Association shall make available to the Owners, to Mortgagees, and lenders, and to holders, insurers, or guarantors of any Mortgage current copies of the Declaration, Bylaws, and administrative Rules and Regulations concerning the Project, as well as the books, records, and financial statements of the Board and the Association. The term "Available," as used in the Paragraph, shall mean available for reasonable inspection upon request during normal business hours or under other reasonable circumstances. The Association shall have the right to recover its photocopying and service charges

incurred in making the inspection and photocopying available.

(c) Right to Financial Statement. The holder, insurer or guarantor of any Mortgage shall be entitled, upon written request, to a financial statement for the immediately preceding fiscal year. Any financial statement requested pursuant hereto shall be furnished to the requesting party within a reasonable time following such request.

(d) Management Contracts. Any agreement for professional management of the Project, and any contract for goods or services, or any lease which is entered into by the Board shall provide, or be deemed to provide hereby, that:

(1) Either party may terminate the contract with cause upon at least thirty (30) days prior written notice to the other party; and

(2) No contract may be for an initial term greater than one (1) year.

(e) Eligible Mortgagee Designation. Upon written request to the Board or the Association by the holder, insurer, or guarantor of a Mortgage (which request identifies the name and address of such holder, insurer or guarantor and the Unit Number or address of the property encumbered by the Mortgage held or insured by such holder, insurer, or guarantor), such holder insurer, or guarantor shall be deemed thereafter to be an "Eligible Mortgagee" or "Eligible Insurer" or "Eligible Guarantor," as the case may be, shall be included on the appropriate lists maintained by the Association, and shall be entitled to timely written notice of any of the following:

(1) Condemnation Loss or Award. Any condemnation loss or any casualty loss which affects a material portion of the Project or any Unit on which there is a Mortgage held, insured, or guaranteed by such Eligible Mortgagee, Insurer or Guarantor.

(2) Delinquency. Any delinquency in the payment of Assessments owed by an Owner of a Unit subject to a Mortgage held, insured or guaranteed by such Eligible Mortgagee, Insurer or Guarantor, which delinquency remains uncured for a period of sixty (60) days.

(3) Lapse of Insurance. Any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Board or the Association.

(4) Consent Required. Any proposed action which would require the consent of a specified percentage of Eligible Mortgagees.

42. Amendment. This Declaration may be amended as follows:

(a) General. Any amendment to this Declaration shall require the affirmative written vote or consent of at least sixty-seven percent (67%) of the total undivided ownership interest in the Common Area and Facilities cast either in person or by proxy at a meeting duly called for such purpose or otherwise approved in writing by such Owners without a meeting.

(b) Unilateral Right to Amend Under Certain Conditions. Notwithstanding anything contained in this Declaration to the contrary, this Declaration may be amended unilaterally at any time and from time to time by Declarant if such Amendment is (1) necessary to correct typographical errors or inadvertent omissions; (2) necessary to bring any provision hereof into compliance with any applicable governmental statute, rule, or regulation or judicial determination which shall be in conflict therewith; or (3) reasonably necessary to enable any reputable title insurance company to issue title insurance coverage with respect to the Units subject to this Declaration; provided, however, any such amendment shall not materially adversely affect the title to any Unit unless the Owner of said Unit shall consent thereto in writing.

(c) To Satisfy Requirements of Lenders. Anything to the contrary notwithstanding, Declarant and/or Board of Directors hereby reserve the unilateral right to amend all or any part of this Declaration to such extent and with such language as may be requested by the Utah State Department of Real Estate (or similar agency), or a government lender, guarantor or insurer (e.g., HUD, VA, FHA, FNMA, etc.). Any such amendment shall be effected by the recordation by Declarant of an Amendment duly signed by the Declarant, specifying the federal, state or local governmental agency or the federally chartered lending institution requesting the amendment and setting forth the amendatory language requested by such agency or institution. Recordation of such an Amendment shall be deemed conclusive proof of the agency's or institution's request for such an amendment, and such Amendment, when recorded, shall be binding upon all Units and all persons having an interest therein.

(d) Execution of Amendments.

(1) An amendment or revocation which only requires the execution of an instrument by Declarant as hereinabove provided shall be effective when executed by Declarant and when recorded in the office of the County Recorder.

(2) An amendment which requires the affirmative written assent or vote of the Owners as hereinabove provided shall be effective when executed by the President and Secretary of the Association, who shall certify that all of the voting requirements have been satisfied, and the Declarant, if the Declarant's consent is also required, and recorded in the office of the County Recorder.

(e) Consent of Mortgagee to Terminate Legal Status of Project. The consent of at least sixty-seven percent (67%) of the Mortgagees shall be required to any amendment which would terminate the legal status of the Project.

(f) Consent of Mortgagees to Add or Amend Any Material Provision. The consent of Mortgagees holding at least fifty-one (50.01%) percent of the undivided ownership interest in the Common Areas shall be required to add to or amend any material provision of this Declaration or the Plat Map which establishes, provides for, governs, or regulates any of the following:

- Voting rights;

- Increases in Assessments that raise the previously assessed amount by more than 25%, Assessment liens, or the priority of Assessment liens;
- Reductions in reserves for maintenance, repair, and replacement of Common Areas, Facilities and Elements;
- Responsibility for maintenance and repairs;
- Reallocation of interests in the Common Area, Limited Common Area, and general or limited common elements, or rights to their use;
- Redefinition of any Unit boundaries;
- Convertibility of Units into Common Area or Elements, or vice versa;
- Expansion or contraction of the Project, or the addition, annexation, or withdrawal of property to or from the Project;
- Hazard or fidelity insurance requirements;
- Imposition of any restrictions on the leasing of Units;
- Imposition of any restrictions on a Unit Owner's right to sell or transfer his Unit;
- A decision by the Association (if the Project consists of more than 50 Units) to establish self-management if professional management had been required previously by the Project Documents or by an Eligible Mortgage holder;
- Restoration or repair of the Project (after damage or partial condemnation) in a manner other than that specified in the documents;
- Partition or separate from a Unit the non-exclusive right to access or use the Recreation Amenity; and
- Any provisions that expressly benefit Mortgage holders, insurers or guarantors.

Any addition or amendment shall not be considered material for purposes of this paragraph if it is for the clarification only or to correct a clerical error. Notice of any proposed amendment to any Eligible Mortgagee to whom a written request to approve an addition or amendment to this Declaration or the Plat is required shall be mailed postage prepaid to the address for such Mortgagee shown on the list maintained by the Association. Any proposed action which would require the consent of a specified percentage of Mortgagees: If proper notice is given to a Mortgagee or other creditor, then a legal presumption is created that the Mortgagee and/or creditor consented, absent the delivery of a written objection; provided, however, the foregoing consent requirements shall not be applicable to proposed amendments to this Declaration and the Plat Map or the termination of the legal status of the Project if such affect the Condemnation or Substantial Obsolescence provisions.

43. Transfer of Management. Management of the Association was transferred to the Unit Owners effective January 1, 1986.

44. Interpretation. To the extent Utah law is consistent with this Declaration, such provisions shall supplement the terms hereof and are incorporated herein. The captions which precede the Articles and Sections of this Declaration are for convenience only and shall in no way affect the manner in which any provision hereof is construed. Whenever the context so requires, the singular shall include the plural, the plural shall include the singular, the whole shall include any part thereof, and any gender shall include both genders. The invalidity or unenforceability of any portion of this Declaration shall not affect the validity or enforceability of the remainder hereof.

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

46. Enforcement and Right to Recover Attorneys Fees. Should the Association or Board be required to take action to enforce the Declaration, Bylaws or any administrative Rules and Regulations adopted from time to time, or to pursue any remedy provided hereunder or by applicable law, whether such remedy is pursued by filing suit or otherwise, they may recover all Additional Charges, including a reasonable attorneys fee, which may arise or accrue. In addition, the Board may impose sanctions after proper notice and the opportunity to be heard, including by way of illustration but not limitation the following :

- (a) imposing reasonable monetary fines which shall constitute a lien upon the violator's Unit;
- (b) suspending temporarily an Owner's right to vote;
- (c) suspending temporarily any Person's right to use any of the recreational facilities; provided, however, nothing herein contained shall authorize the Board to limit ingress or egress to or from a Unit;
- (d) suspending temporarily any Person's right to receive utility services paid as a Common Expense; and
- (e) assessing Corrective Assessments, Individual Assessments or Additional Charges to cover costs incurred by the Association to bring a Unit or Unit Owner into compliance.

The Board may exercise its business judgment in deciding whether to impose sanctions or pursue legal action against violators and shall consider common concerns when taking or deciding not to take formal action, such as a weak legal position, conflict with current law, technical violations, minor or collateral issue, and whether or not it is in Association's best interests to pursue the matter and, if so, to what extent.

47. Sanctions. The Board may sanction or fine Owners for violations of the governing documents and/or pursue other remedies allowed by law.

48. Term. The term of this Declaration is perpetual.

49. Action of Members. Any action allowed or required to be taken by the Members under this Declaration may be taken (i) at a meeting where Members are represented in person, by proxy or by ballot; (ii) by written consent without a meeting; or (iii) by ballot as the Bylaws may allow.

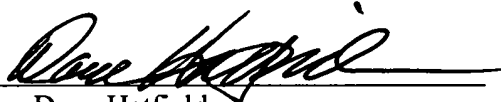
50. Agent for Service of Process. The President of the Association is the person to receive service of process in the cases authorized by Utah law and the Act.

51. Effective Date. This Declaration, any amendment or supplement hereto, and any amendment or supplement to the Plat Map shall take effect upon its being filed for record in the office of the County Recorder of Salt Lake County, Utah.

EXECUTED the 1 day of May, 2013.

DECLARANT:

REDWOOD VILLAGE HOMEOWNERS ASSOCIATION
a Utah nonprofit corporation

By: 
Name: Dave Hatfield
Title: President

STATE OF UTAH)
)ss:
COUNTY OF SALT LAKE)

On the 1st day of May, 2013, personally appeared before me Dave Hatfield, who by me being duly sworn, did say that s/he is the President of REDWOOD VILLAGE HOMEOWNERS ASSOCIATION, a Utah corporation, and that the within and foregoing instrument was signed in behalf of said Association by authority, and said Dave Hatfield duly acknowledged to me that said Association executed the same.


NOTARY PUBLIC

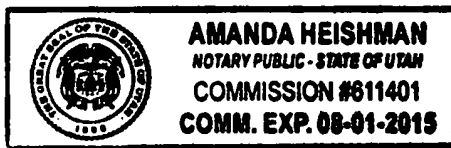


EXHIBIT "A"
LEGAL DESCRIPTION

Beginning at a point which is South 89°53'10" West 1285.75 feet and North 0°01'15" West 990.609 feet from the center of Section 34, Township 1 South, Range 1 West, Salt Lake Base and Meridian; and running thence Northeasterly 118.67 feet along the arc of a 528.33 foot radius curve to the right (chord bears North 7°22'24" East 118.42 feet) thence Northeasterly 48.54 feet along the arc of a 588.44 foot radius curve to the left (chord bears North 111°26'40" East 48.53 feet) thence North 89°53'18" East 745.86 feet; thence South 0°01'15" East 165.9 feet, thence South 89°53'10" West 770.75 feet to the point of beginning.

Subject to a right of way over the North 30.00 feet of the above described property.

Block / Building	Type	Lot / Quarter	Parcel Number	Obsolete?
	U	AREA	15-34-178-001-0000	N
A	U	1	15-34-178-002-0000	N
A	U	2	15-34-178-003-0000	N
A	U	3	15-34-178-004-0000	N
A	U	4	15-34-178-005-0000	N
A	U	5	15-34-178-006-0000	N
A	U	6	15-34-178-007-0000	N
B	U	7	15-34-178-008-0000	N
B	U	8	15-34-178-009-0000	N
B	U	9	15-34-178-010-0000	N
B	U	10	15-34-178-011-0000	N
B	U	11	15-34-178-012-0000	N
B	U	12	15-34-178-013-0000	N
C	U	13	15-34-178-014-0000	N
C	U	14	15-34-178-015-0000	N
C	U	15	15-34-178-016-0000	N
C	U	16	15-34-178-017-0000	N
C	U	17	15-34-178-018-0000	N
C	U	18	15-34-178-019-0000	N
D	U	19	15-34-178-020-0000	N
D	U	20	15-34-178-021-0000	N
D	U	21	15-34-178-022-0000	N
D	U	22	15-34-178-023-0000	N
D	U	23	15-34-178-024-0000	N
D	U	24	15-34-178-025-0000	N
E	U	25	15-34-178-026-0000	N
E	U	26	15-34-178-027-0000	N
E	U	27	15-34-178-028-0000	N
E	U	28	15-34-178-029-0000	N
E	U	29	15-34-178-030-0000	N
E	U	30	15-34-178-031-0000	N
F	U	31	15-34-178-032-0000	N
F	U	32	15-34-178-033-0000	N
F	U	33	15-34-178-034-0000	N
F	U	34	15-34-178-035-0000	N
F	U	35	15-34-178-036-0000	N
F	U	36	15-34-178-037-0000	N
G	U	37	15-34-178-038-0000	N
G	U	38	15-34-178-039-0000	N
G	U	39	15-34-178-040-0000	N
G	U	40	15-34-178-041-0000	N
G	U	41	15-34-178-042-0000	N
G	U	42	15-34-178-043-0000	N

EXHIBIT "B"
PERCENTAGES OF OWNERSHIP INTEREST

<u>Unit Number</u>	<u>Percentage of Ownership</u>
01	2.3809%
02	2.3809%
03	2.3809%
04	2.3809%
05	2.3809%
06	2.3809%
07	2.3809%
08	2.3809%
09	2.3809%
10	2.3809%
11	2.3809%
12	2.3809%
13	2.3809%
14	2.3809%
15	2.3809%
16	2.3809%
17	2.3809%
18	2.3809%
19	2.3809%
20	2.3809%
31	2.3809%
32	2.3809%
33	2.3809%
34	2.3809%
35	2.3809%
36	2.3809%
37	2.3809%
38	2.3809%
39	2.3809%
40	2.3809%
41	2.3809%
42	2.3809%
Total	100.00%

EXHIBIT "C"
BYLAWS
OF
REDWOOD VILLAGE HOMEOWNERS ASSOCIATION
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BYLAWS
OF
REDWOOD VILLAGE HOMEOWNERS ASSOCIATION

ARTICLE I

GENERAL

1.1 Purpose of Bylaws. These Bylaws are adopted for the regulation and management of the affairs of Redwood Village Homeowners Association, a Utah nonprofit corporation (the "Association"), organized to be the association to which reference is made in the Declaration of Covenants, Conditions, Restrictions of Redwood Village Condominium, an Expandable Utah Condominium Project, as amended or supplemented from time to time (the "Declaration"), to perform the functions as provided in the Declaration and to further the interests of Owners of Units within the Development.

1.2 Terms Defined in Declaration. Unless otherwise specifically provided herein, capitalized terms in these Bylaws shall have the same meaning as given to such terms in the Declaration.

1.3 Controlling Laws and Instruments. These Bylaws are controlled by and shall always be consistent with the provisions of the Utah Condominium Ownership Act (the "Act"), Utah Revised Nonprofit Corporation Act (the "URNPCA"), the Declaration, and the Articles of Incorporation of the Association filed with the Division of Corporations and Commercial Code of the Utah Department of Commerce (the "Division"), as any of the foregoing may be amended from time to time. In the event of any conflict, incongruity or inconsistency between the Project Documents, Act and the URNPCA, the URNPCA shall govern and control. In the event of any conflict, incongruity or inconsistency between the Project Documents, and the Act, the Act shall govern and control.

1.4 Fair and Reasonable Notice. Notice given in accordance with the provisions of the Revised Nonprofit Corporations Act) shall be considered fair and reasonable notice. The Association may give notice by text message, e-mail, text message, the Association website, or other electronic notice; provided, however an Owner may by making a written demand to the Association require written notice.

ARTICLE II

OFFICES

2.1 Principal Office. The principal office of the Corporation shall be at 3335 South 900 East, #230, Salt Lake City, Utah 84106. The Board of Directors, in its discretion, may change from time to time the location of the principal office.

2.2 Registered Office and Agent. The Act requires that the Association have and continuously maintain in the State of Utah a registered office and a registered agent. The registered agent must be an individual who resides in the State of Utah and whose business office is identical with the registered office. The initial registered office and the initial registered agent are specified in the Articles of Incorporation and

may be changed by the Association at any time, without amendment to the Articles of Incorporation, by filing a statement as specified by law with the Division.

ARTICLE III

MEMBERS

3.1 Members. A "Member," as provided in the Declaration, is the person or, if more than one, all persons collectively, who constitute the Owner of a Unit within the Development.

3.2 Memberships Appurtenant to Units. Each Membership shall be appurtenant to the fee simple title to a Unit. The person or persons who constitute the owner of fee simple title to a Unit shall automatically be the holder of the Membership appurtenant to that Unit and the Membership shall automatically pass with fee simple title to the Unit.

3.3 Members' Voting Rights. A Member shall be entitled to one (1) vote for each Unit which he or it owns within the Development.

3.4 Voting by Joint Owners. In the event there is more than one (1) 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 or through ballot, 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.

3.5 Resolution of Voting Disputes. In the event of any dispute as to the entitlement of any Member to vote or as to the results of any vote of Members at a meeting, the Board of Directors of the Association shall act as arbitrators and the decision of a disinterested majority of the Board of Directors shall, when rendered in writing, be final and binding as an arbitration award and may be acted upon in accordance with Utah law.

3.6 Suspension of Voting Rights. The Board of Directors may suspend the voting rights of a Member for any period during which an assessment remains unpaid. The Board of Directors may also, after Notice and Hearing, suspend the right of the Member to use the Common Area and Facilities during and for up to sixty (60) days following any breach by such Member or Occupant of any provision of the Declaration or of any Rule or Regulation adopted by the Association unless such breach is a continuing breach, in which case such suspension shall continue for so long as such breach continues and up to sixty (60) days thereafter.

3.7 Transfer of Memberships on Association Books. Transfer of Membership shall be made on the books of the Association only upon presentation of evidence, satisfactory to the Association, of the transfer of ownership of the Unit to which the Membership is appurtenant. Prior to presentation of such evidence, the Association may treat the previous owner of the Membership as the owner of the Membership entitled to all rights in connection therewith, including the right to vote and to receive notice.

3.8 Assignment of Voting Rights to Tenants and Mortgagees. A Member may assign his right to vote to a tenant occupying his Unit or to a mortgagee of his Unit for the term of the lease or the mortgage and any sale, transfer or conveyance of the Unit, and the Unit upon which it is situated shall, unless otherwise provided in the document of sale, transfer or conveyance, be subject to any such assignment of voting rights to any tenant or mortgagee. Any such assignment of voting rights and any revocation or termination of any assignment of voting rights shall be in writing and shall be filed with the Secretary of the Association.

ARTICLE IV

MEETING OF MEMBERS

4.1 Place of Members' Meetings. Meetings of Members shall be held at the principal office of the Association or at such other place, within or convenient to the Development, as may be fixed by the Board of Directors and specified in the notice of the meeting.

4.2 Annual Meetings of Members. Annual Meetings of the Members shall be held at such time of day as is fixed by the Board of Directors and specified in the notice of meeting. The Annual Meetings shall be held to elect Directors of the Association and to transact such other business as may properly come before the meeting.

4.3 Special Meetings of Members. Special Meetings of the Members may be called by the President or the Board of Directors or by Members holding not less than twenty-five percent (25%) of the total votes of all Members. No business shall be transacted at a Special Meeting of Members except as indicated in the notice thereof.

4.4 Record Date/Members List.

4.4.1. Record Date. The record date for the purpose of determining Members entitled to notice of, or to vote at, any meeting of Members or in order to make a determination of such Members for any other proper purpose for the taking of any other lawful action shall be as set forth in Subsection 4.4.2 below, unless the Board of Directors, in advance of sending notice, set a date by resolution as the record date for any such determination of Members. Such record date shall not be more than sixty (60) days prior to the meeting of Members or the event requiring a determination of Members.

4.4.2. Members Entitled to Notice. Members entitled to notice of a meeting of the Members are the Members of the Association at the close of business on the business day preceding the day on which notice is given, or, if notice is waived, at the close of business on the business day preceding the day on which the meeting is held. Members entitled to vote at a meeting of the Members are the Members of the Association on the date of the meeting, and who are otherwise eligible to vote. The record date for the purpose of determining the Members entitled to exercise any rights in respect of any other lawful action are Members of the Association at the later of (i) the close of business on the day on which the Board of Directors adopts the resolution relating to the exercise of the right; or (ii) the close of business on the sixtieth (60th) day before the date of the exercise of the right. A record date fixed under this Section may not be more than seventy (70) days before the meeting or action requiring a determination of Members occurs. A determination of members entitled to notice of or to vote at a meeting of Members is effective for any adjournment of the meeting unless the Board of Directors fixes a new date for determining the right to notice or the right to vote.

4.4.3. Member List. The Association shall only be required to prepare a list of the names of the Members as provided for in Section 9.3.3.

4.5 Notice of Members' Meetings. Written notice stating the place, day and hour of any meeting shall be delivered not less than ten (10) nor more than thirty (30) days before the date of the meeting, either personally or by first class or registered mail, by or at the direction of any of the Officers of the Association, or the Officers or persons calling the meeting, to each Member entitled to vote at such meeting. Notwithstanding

the foregoing, notice given by other means shall be deemed fair and reasonable if given in accordance with the Act. The notice of an Annual, Regular or Special Meeting shall include (a) the names of any known candidate for Director and shall identify any other matter which it is known may come before the meeting; (b) potential conflicting interest transactions of a Director, party related to a Director, or an entity in which the Director is a director or has a financial interest, if any; (c) notice of any indemnification or advance of expenses to a director in connection with a legal "proceeding" as defined in the Act; (d) notice of any amendment to these Bylaws proposed by the Members and a copy, summary or general statement of the proposed amendment; (e) notice of a proposed plan of merger; (f) notice of a proposed sale of the properties by the Association other than in the regular course of activities; (g) notice of a proposed dissolution of the Association; and (h) any matter a Member intends to raise at the meeting if requested in writing to do so by a person entitled to call a Special Meeting and the request is received by the Secretary or President at least ten (10) days before the Association gives notice of the meeting. The notice of a Special Meeting shall state the purpose or purposes for which the meeting is called. If mailed, such notice shall be deemed to be delivered three (3) business days after a copy of the same has been deposited in the United States mail addressed to the Member at the street address given by the Member to the Association, or to the residence of such Member if no address has been given to the Association.

4.6 Proxies and Ballots Used at Meetings. A Member entitled to vote at a meeting may vote in person or ballot, or by proxy executed in writing by the Member or his duly authorized attorney-in-fact and filed with the Secretary of the meeting prior to the time the proxy is exercised. Any proxy or ballot may be revoked, prior to the time the proxy is exercised or the ballot counted, by (a) the Member attending the meeting and voting in person, or (b) the Member signing and delivering to the Secretary or other person authorized to tabulate proxy or ballot votes (i) a writing stating that the appointment of proxy or ballot is revoked, or (ii) a subsequent proxy form or ballot. A proxy or ballot shall automatically cease upon the conveyance by a Member of the Unit of the Member and the transfer of the Membership on the books of the Association. No proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in the proxy. The death or incapacity of the Member appointing a proxy or issuing a ballot does not affect the right of the Association to accept the proxy's authority or count the ballot unless notice of the death or incapacity is received by the Secretary or other Officer or agent authorized to tabulate votes before the proxy exercises the proxy's authority or the ballot is counted. In addition to utilizing a ballot in connection with a meeting, the Association may utilize ballots without a meeting to take any action that may be taken at any annual, regular or special meeting of the Members provided the Association delivers a written ballot to every member entitled to vote. Any ballot utilized without a meeting shall be valid only when (1) the time by which all ballots must be received has passed so that a quorum can be determined and (2) the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. All solicitations for votes by written ballot shall: (a) set forth each proposed action, (b) provide for an opportunity to vote for or against each proposed action, (c) indicate the number of responses needed to meet the quorum requirements; (d) state the percentage of approvals necessary to approve each matter other than election of Directors; (e) specify the time by which a ballot must be received by the Association in order to be counted; and (f) be accompanied by written information sufficient to permit each person casting the ballot to reach an informed decision on the matter.

4.7 Telecommunications. Any or all of the Members may participate in an Annual, Regular, or Special Meeting of the Members by, or the meeting may be conducted through the use of, any means of communication by which all persons participating in the meeting may hear each other during the meeting. A member participating in a meeting by a means permitted under this Section is considered to be present in person at the meeting.

4.8 Quorum at Members' Meetings. Except as may be otherwise provided in the Declaration, the Articles of Incorporation, or these Bylaws, and except as hereinafter provided with respect to the calling of

another meeting, the representation, in person, by proxy or by ballot, of at least fifty percent (50%) of the total percentage of ownership entitled to cast votes shall constitute a quorum at any meeting of such Members. Members present in person or by proxy or represented by ballot at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of Members so as to leave less than a quorum. If a meeting of the Members is called and a quorum is not present, the Board may adjourn the meeting and reconvene later. At the reconvened meeting, those Members present in person or by proxy shall constitute a quorum. The reconvened meeting shall be held not earlier than twenty four (24) hours after nor more than thirty (30) days after the initial meeting. Oral notice to the Members present in person or by proxy at the initial meeting of the date, time and place of the reconvened meeting shall be required and sufficient. No additional written notice to the Members shall be required.

4.9 Adjournment of Members' Meetings. Members present in person or by proxy at any meeting at which a quorum or reduced quorum, as the case may be, was present may adjourn the meeting from time to time, without notice other than announcement at the meeting, for a total period or periods not to exceed forty-five (45) days after the date set for the original meeting. At any adjourned meeting which is held without notice other than announcement at the meeting, the quorum requirement shall be the same as the quorum requirement of the meeting so adjourned, and any business may be transacted which might have been transacted at the adjourned meeting.

4.10 Vote Required at Members' Meetings. At any meeting where a quorum is present, a majority of the votes present in person, ballot or by proxy and entitled to be cast on a matter shall be necessary for the adoption of the matter, unless a greater proportion is required by law, the Declaration, the Articles of Incorporation, or these Bylaws, except that, in the case of elections in which there are more than two (2) candidates, the persons receiving the highest number of votes shall be elected.

4.11 Cumulative Voting Not Permitted. Cumulative voting by Members in the election of Directors shall not be permitted.

4.12 Electronic Voting Permitted. Votes without a meeting is permitted in accordance with the provisions of the Utah Nonprofit Corporations Act. The Association may permit voting and/or ballot remitting by fax, e-mail or any other electronic medium, tool or device.

4.13 Order of Business. The order of business at any meeting of Members shall be as follows: (a) roll call to determine the voting power represented at the meeting; (b) proof of notice of meeting or waiver of notice; (c) election of Directors, if applicable; (d) report of finances; and (e) any other Association business.

4.14 Expenses of Meetings. The Association shall bear the expenses of all Regular and Annual Meetings of Members and of Special Meetings of Members.

4.15 Waiver of Notice. A Member may waive any notice required by the Act or by these Bylaws, whether before or after the date or time stated in the notice as the date or time when any action will occur or has occurred. A waiver shall be in writing, signed by the Member entitled to the notice, and delivered to the Association for inclusion in the minutes; or filing with the corporate records. The delivery and filing required above may not be conditions of the effectiveness of the waiver. A Member's attendance at a meeting (a) waives objection to lack of notice or defective notice of the meeting, unless the Member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting because of lack of notice or defective notice, and (b) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the Member objects to considering the matter when it is presented.

4.15 Action of Members Without a Meeting. If permitted by the URNPCA, any action that may be taken at an annual or special meeting of the Members may be taken without a meeting and without prior notice if a consent, in writing, setting forth the action so taken, shall be signed by the members having not less than the minimum voting power that would be necessary to authorize or take the action at a meeting at which all of the Members entitled to vote with respect to the subject matter thereof were present and voted. Directors may not be elected by written consent except by unanimous written consent of all Members entitled to vote for the election of Directors. Any action taken under this Section must comply with the Act and URNPCA and is not effective unless all necessary written consents are received within a sixty (60) day period and have not been revoked. A written consent may be given by electronically transmitted facsimile or other form of communication providing the Association with a complete copy of the written consent, including a copy of the signature to the written consent.

4.16 Signature of Members. Except as otherwise provided in the Act, all votes, consents, written ballots, waivers, proxy appointments, and proxy or ballot revocations shall be in the name of the Member and signed by the Member with a designation of the Member's capacity; *i.e.*, owner, partner, president, director, member, trustee, conservator, guardian, etc.

ARTICLE V

BOARD OF DIRECTORS

5.1 General Powers and Duties of the Board of Directors. The Board of Directors shall have the duty to manage and supervise the affairs of the Association and shall have all powers necessary or desirable to permit it to do so. Without limiting the generality of the foregoing, the Board of Directors shall have the power to exercise or cause to be exercised for the Association all of the powers, rights and authority of the Association not reserved to Members in the Declaration, the Articles of Incorporation, these Bylaws, or the Act.

5.2 Special Powers and Duties of the Board of Directors. Without limiting the foregoing statement of general powers and duties of the Board of Directors or the powers and duties of the Board of Directors as set forth in the Declaration, the Board of Directors shall be vested with the following specific powers and duties:

5.2.1 Assessments. The duty to fix and levy from time to time assessments, special assessments, and all other assessments upon the Members of the Association as provided in the Declaration; and to enforce the payment of such delinquent assessments as provided in the Declaration.

5.2.2 Insurance. The duty to contract and pay premiums for fire and casualty and liability and other insurance in accordance with the provisions of the Declaration.

5.2.3 Common Area. The duty to manage and care for the Common Area, and to employ personnel necessary for the care and operation of the Common Area, and to contract and pay for necessary or desirable Improvements on property acquired by the Association in accordance with the Declaration.

5.2.4 Agents and Employees. The power to select, appoint, and remove all Officers, agents, and employees of the Association and to prescribe such powers and duties for them as may be consistent with law, with the Declaration, the Articles of Incorporation, and these Bylaws.

5.2.5 Borrowing. The power, with the approval of the Members representing at least two-thirds (2/3) of the voting power of the Association, to borrow money and to incur indebtedness for the purpose of the Association, and to cause to be executed and delivered therefor, in the Association's name, promissory notes, bonds, debentures, mortgages, pledges, hypothecations or other evidences of debt, and securities therefor.

5.2.6 Enforcement. The power to enforce the provisions of the Declaration, the Rules and Regulations of the Association, these Bylaws, or other agreements of the Association.

5.2.7 Delegation of Powers. The power to delegate its powers according to law.

5.2.8 Rules and Regulations. The power to adopt such rules and regulations with respect to the interpretation and implementation of the Declaration, use of Common Area, and use of any property within the Development including Dwelling Units and to levy fines and penalties for infractions and violations thereof; provided, however, that such rules and regulations shall be enforceable only to the extent that they are consistent with the Declaration, the Articles of Incorporation, and these Bylaws.

5.2.9 Emergency Powers. The right to exercise such emergency powers as provided for in the Act.

5.2.10 Finances. Common funds may only be deposited into institutions which are federally insured. Common funds shall be deposited into savings or money market accounts, or to purchase certificates of deposit. Other higher-risk investments, with a potential higher-rate-of-return, such as stocks, bonds, mutual funds and U.S. treasuries and the like, may only be used with the prior express written and affirmative consent of at least 75% of the Eligible Votes of the Members, all eligible mortgagees, and if any financing or the guaranty of any financing on a Unit or Dwelling Unit is provided by the Federal Housing Administration of the United States Department of Housing and Urban Development (FHA), the Federal Home Loan Mortgage Corporation or the Mortgage Corporation (FHLMC), Federal National Mortgage Association (FNMA), Government National Mortgage Association (GNMA) or the Department of Veterans Affairs (VA).

5.3 Qualifications of Directors. A Director must be a natural person 18 years of age or over and an Owner of a Unit within the Development or, if the Owner of any such Unit is a partnership, corporation, or limited liability company, must be a designated representative of such partnership, corporation, or limited liability company, except during the Period of Declarant Control when the Declarant may appoint persons to the Board not owning a Unit in REDWOOD VILLAGE CONDOMINIUM. If a Director conveys or transfers title to his Unit, or if a Director who is a designated representative of a partnership, corporation, or limited liability company ceases to be such designated representative, or if the partnership, corporation, or limited liability company of which a Director is a designated representative transfers title to its Unit, such Director's term as Director shall immediately terminate and a new Director shall be selected as promptly as possible to take such Director's place. Notwithstanding anything in this Section to the contrary, none of the initial Directors, as designated in the Articles of Incorporation, shall be required to have any ownership interest in any Unit in order to qualify to serve as a Director until the first election of Directors by the Members. Any Director no longer qualified to serve under the standards provided for in this Section 5.3 may be removed by a majority vote of the Directors then in office.

5.4 Number of Directors. The number of Directors of the Association shall be five (5).

5.5 Term of Office of Directors and Elections. Except as provided in Section 4.15 and the

Declarant's Right during the Period of Declarant Control to appoint Persons to the Board, the Board of Directors shall be elected by secret ballot at a meeting of the Members to serve as follows:

At each annual meeting, the Members shall elect Directors for terms of one (1) year.

Directors newly elected at the Annual Meeting shall take office on the first day of the month following the Annual Meeting. Said newly elected Directors are invited to attend Board of Directors meetings to familiarize them with the Association procedures prior to taking office. Only Members who are not in violation of the Declaration, these Bylaws, or Association Rules and Regulations shall be eligible to run for a position on the Board of Directors.

In an election of multiple Directors, that number of candidates equaling the number of Directors to be elected, having the highest number of votes cast in favor of their election, are elected to the Board of Directors. When only one (1) Director is being voted upon, the candidate having the highest number of votes cast in his or her favor is elected to the Board of Directors.

5.6 Nominating Committee. Nominations for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the Annual Meeting. The Nominating Committee shall consist of a chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such Annual Meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Except for the initial Board of Directors appointed by the Declarant, such nominations shall be made from among the Members.

5.7 Removal of Directors By the Members. At any meeting of the Members, the notice of which indicates such purpose, any or all of the Directors may be removed, with or without cause, by the affirmative vote of Members holding a majority of the voting interests of all Members; and a successor may be then and there elected to fill the vacancy thus created.

5.8 Resignation of Directors. Any Director may resign at any time by giving written notice to the President, to the Secretary, or to the Board of Directors stating the effective date of such resignation. Acceptance of such resignation shall not be necessary to make the resignation effective. A Director who resigns may deliver to the Utah Department of Commerce, Division of Corporations and Commercial Code a statement setting forth (a) that person's name; (b) the name of this Association; (c) information sufficient to identify the report or other document in which the person is named as a Director or Officer; and (d) the date on which the person ceased to be a Director or Officer or a statement that the person did not hold the position for which the person was named in the corporate report or other document.

5.9 Vacancies in the Board of Directors. Any vacancy occurring in the Board of Directors shall be filled by the affirmative vote of a majority of the remaining Directors, though less than a quorum of the Board of Directors. A Director elected or appointed to fill a vacancy shall be elected or appointed for the unexpired term of his predecessor in office. A directorship to be filled by reason of an increase in the number of Directors shall be filled only by vote of the Members. A Director elected by the Board of Directors to fill the vacancy of a Director elected by the voting Members may be removed without cause by the voting Members, but not the Board of Directors. Should any vacancy of the Board of Directors remain unfilled for a period of two (2) months, the Members may, at a Special Meeting of the Members called for that purpose, elect a Director to fill such vacancy by a majority of the votes which Members present at such meeting, or represented by proxy or ballot, are entitled to cast.

5.10 Appointment of Committees. The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate and appoint one or more committees which shall consist of two or more Directors and which, unless otherwise provided in such resolution, shall have and may exercise the authority to make recommendations (but not final decisions) to the Board of Directors in the management of the Association, except authority with respect to those matters specified in the Act as matters which such committee may not have and exercise the authority of the Board of Directors.

5.11 General Provisions Applicable to Committees. The designation and appointment of any committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed upon it or him by law. The provision of these Bylaws with respect to notice of meeting, waiver of notice, quorums, adjournments, vote required and action by consent applicable to meetings of the Board of Directors shall be applicable to meetings of committees of the Board of Directors.

5.12. Executive Session. The Board, with approval of a majority of a quorum, may adjourn a meeting and reconvene an executive session to discuss and vote upon personnel matters, litigation or threatened litigation in which the Association is or may become involved, and orders of business of a privileged, confidential, sensitive or similar nature. The nature of any and all business to be considered in an executive session shall first be announced in open session.

ARTICLE VI

MEETING OF DIRECTORS

6.1 Place of Directors' Meetings. Meetings of the Board of Directors shall be held at the principal office of the Association or at such other place, within or convenient to the Development, as may be fixed by the Board of Directors and specified in the notice of the meeting.

6.2 Annual Meeting of Directors. The Annual Meeting of the Board of Directors shall be held on the same date as, or within ten (10) days following, the Annual Meeting of Members and also on the date that newly elected Directors take office. The Business to be conducted at the Annual Meeting of the Board of Directors shall consist of the appointment of Officers of the Association and the transaction of such other business as may properly come before the meeting. No prior notice of the Annual Meeting of the Board of Directors shall be necessary if the meeting is held on the same day and at the same place as the Annual Meeting of Members at which the Board of Directors is elected or if the time and place of the Annual Meeting of the Board of Directors is announced at the Annual Meeting of Members.

6.3 Other Regular Meetings of Directors. The Board of Directors may hold other regular meetings and may, by resolution, establish in advance the times and places for such regular meetings. No prior notice of any regular meeting need be given after establishment of the time and place thereof by such resolution.

6.4 Special Meetings of Directors. Special Meetings of the Board of Directors may be called by the President or any two (2) members of the Board of Directors other than the President.

6.5 Notice of Directors' Meetings. In the case of all meetings of the Board of Directors for which notice is required by these Bylaws, notice stating the place, day and hour of the meeting shall be delivered not less than three (3) nor more than thirty (30) days before the date of the meeting, by mail, fax, telephone or personally, by or at the direction of the persons calling the meeting, to each member of the Board of Directors. If mailed, such notice shall be deemed to be delivered three (3) business days after a copy of the same has been

deposited in the United States mail addressed to the Director at his home or business address as either appears on the records of the Association, with postage thereon prepaid. If faxed, such notice shall be deemed delivered when the transmission is complete. If by telephone such notice shall be deemed to be delivered when given by telephone to the Director. If given personally, such notice shall be deemed to be delivered upon delivery of a copy of a written notice to, or upon verbally advising, the Director or some person who appears competent and mature at his home or business address as either appears on the records of the Association.

Neither the business to be transacted at, nor the purpose of, any Regular or Special Meeting of the Board of Directors need be specified in the notice or waiver of such meeting.

6.6 Proxies. For purposes of determining a quorum with respect to a particular proposal, and for purposes of casting a vote for or against a particular proposal, a Director may be considered to be present at a meeting and to vote if the Director has granted a signed written proxy: (i) to another Director who is present at the meeting; and (ii) authorizing the other Director to cast the vote that is directed to be cast by the written proxy with respect to the particular proposal that is described with reasonable specificity in the proxy. Except as provided in this Section 6.6 and as permitted by Section 6.13, Directors may not vote or otherwise act by proxy.

6.7 Telecommunications. The Board of Directors may permit any Director to participate in a Regular or Special Meeting by, or conduct the meeting through the use of, any means of communication by which all Directors participating may hear each other during the meeting. A Director so participating in such a meeting is considered to be present in person at the meeting.

6.8 Quorum of Directors. A majority of the number of Directors fixed in these Bylaws shall constitute a quorum for the transaction of business. For the purpose of determining the presence of a quorum, Directors will be counted if represented in person or by proxy, if applicable.

6.9 Adjournment of Directors' Meeting. Directors present at any meeting of the Board of Directors may adjourn the meeting from time to time, whether or not a quorum shall be present, without notice other than announcement at the meeting, for a total period or periods of not to exceed thirty (30) days after the date set for the original meeting. At any adjourned meeting which is held without notice other than announcement at the meeting, the quorum requirement shall not be reduced or changed, but if the originally required quorum is present, any business may be transacted which might have been transacted at the meeting as originally called.

6.10 Vote Required at Directors' Meeting. At any meeting of the Board of Directors, if a quorum is present, a majority of the votes present in person or by proxy, if applicable, and entitled to be cast on a matter shall be necessary for the adoption of the matter, unless a greater proportion is required by law, the Declaration, the Articles of Incorporation, or these Bylaws.

6.11 Officers at Meetings. The President shall act as chairman and the Board of Directors shall appoint a secretary to act at all meetings of the Board of Directors.

6.12 Waiver of Notice. A waiver of notice of any meeting of the Board of Directors, signed by a Director, whether before or after the meeting, shall be equivalent to the giving of notice of the meeting to such Director. Attendance of a Director at a meeting in person shall constitute waiver of notice of such meeting unless (a) at the beginning of the meeting or promptly upon the Director's later arrival the Director objects to holding the meeting or transacting business at the meeting because of lack of notice or defective notice and, after objecting, the Director does not vote for or assent to action taken at the meeting, or (b) the Director contemporaneously requests that the Director's dissent or abstention as to any specific action taken be entered

in the minutes of the meeting; or (c) the Director causes written notice of the Director's dissent or abstention as to any specific action to be received by (i) the presiding officer of the meeting before adjournment of the meeting; or (ii) the Association promptly after adjournment of the meeting.

6.12.1 Dissent or Abstention. The right of dissent or abstention pursuant to Section 6.12 is not available to a Director who votes in favor of the action taken.

6.13 Action of Directors Without a Meeting. Any action required to be taken or which may be taken at a meeting of the Board of Directors may be taken without a meeting and without prior notice if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors. Any action taken under this Section 6.13 is not effective unless all written consents are received within a sixty (60) day period and have not been revoked.

ARTICLE VII

OFFICERS

7.1 Officers, Employees and Agents. The officers of the Association shall be natural persons 18 years of age or over and shall consist of a President, a Secretary, a Treasurer, and such other Officers, assistant Officers, employees, and agents as may be deemed necessary by the Board of Directors. Officers other than the President need not be Directors. The same person may simultaneously hold more than one office.

7.2 Appointment and Term of Office of Officers. The Officers shall be appointed by the Board of Directors at the Annual Meeting of the Board of Directors and shall hold office, subject to the pleasure of the Board of Directors, until the next Annual Meeting of the Board of Directors or until their successors are appointed, whichever is later, unless the Officer resigns, or is removed earlier.

7.3 Resignation and Removal of Officers. An Officer may resign at any time by giving written notice of resignation to the Association. A resignation of an Officer is effective when the notice is received by the Association unless the notice specifies a later effective date. If a resignation is made effective at a later date, the Board of Directors may: (a) (i) permit the Officer to remain in office until the effective date; and (ii) fill the pending vacancy before the effective date if the successor does not take office until the effective date; or (b) (i) remove the Officer at any time before the effective date; and (ii) fill the vacancy created by the removal. The Board of Directors may remove any Officer at any time with or without cause. An Officer who resigns, is removed, or whose appointment has expired may file a statement in the same form as provided in Section 5.8.

7.4 Vacancies in Officers. Any vacancy occurring in any position as an Officer may be filled by the Board of Directors. An Officer appointed to fill a vacancy shall be appointed for the unexpired term of his predecessor in office.

7.5 President. The President shall be a Member of the Board of Directors and shall be the principal executive officer of the Association and, subject to the control of the Board of Directors, shall direct, supervise, coordinate and have general control over the affairs of the Association, and shall have the powers generally attributable to the chief executive officer of a corporation. The President shall preside at all meetings of the Board of Directors and of the Members of the Association.

7.6 Vice President. The Vice President, if any, may act in place of the President in case of his death, absence or inability to act, and shall perform such other duties and have such authority as is from time to time delegated by the Board of Directors or by the President.

7.7 Secretary. The Secretary shall be the custodian of the records and the seal, if any, of the Association and shall affix the seal to all documents requiring the same; shall see that all notices are duly given in accordance with the provisions of these Bylaws and as required by law and that the books, reports and other documents and records of the Association set forth in Section 9.3 are properly kept and filed; shall take or cause to be taken and shall keep minutes of the meetings of Members, of the Board of Directors, and of committees of the Board of Directors; shall keep at the principal office of the Association a record of the names and addresses of the Members; and, in general, shall perform all duties incident to the office of Secretary and such other duties as may, from time to time, be assigned to him by the Board of Directors or by the President. The Board of Directors may appoint one or more Assistant Secretaries who may act in place of the Secretary in case of his death, absence or inability to act. The duties of the Secretary may be delegated to a property management company.

7.8 Treasurer. The Treasurer shall have charge and custody of, and be responsible for, all funds and securities of the Association; shall deposit all such funds in the name of the Association in such depositories as shall be designated by the Board of Directors; shall keep correct and complete financial records and books of account and records of financial transactions and condition of the Association and shall submit such reports thereof as the Board of Directors may, from time to time, require; shall arrange for the annual report required under Section 9.6 of these Bylaws; and, in general, shall perform all the duties incident to the office of Treasurer and such other duties as may from time to time be assigned to him by the Board of Directors or by the President. The Board of Directors may appoint one or more Assistant Treasurers who may act in place of the Treasurer in case of his death, absence or inability to act. The duties of the Treasurer may be delegated to a property management company.

7.9 Bonds. The Association shall require and pay for fidelity bonds covering Officers or other persons handling funds of the Association as required in the Declaration. The Association shall pay the premiums for such bonds.

ARTICLE VIII

INDEMNIFICATION OF OFFICIALS AND AGENTS

8.1 Right of Indemnification. The Association shall indemnify any Director, Officer, employee, fiduciary and agent (including without limitation the property manager) to the fullest extent allowed under Sections 16-6a-901 through 16-6a-910 of the Act, or any replacement Sections thereof.

8.2 Authority to Insure. The Association may purchase and maintain liability insurance on behalf of any Director, Officer, employee, fiduciary and agent against any liability asserted against him and incurred by him in such capacity or arising out of his status as such, including liabilities for which he might not be entitled to indemnification hereunder.

ARTICLE IX

MISCELLANEOUS

9.1 Amendment/Conflict. These Bylaws may be amended, at any Regular, Annual, or Special Meeting of the Board of Directors, by an affirmative written vote of a majority of the Unit Owners.

9.2 Compensation of Officers, Directors and Members. No Director shall have the right to receive any compensation from the Association for serving as a Director except for reimbursement of expenses as may be approved by resolution of disinterested Members of the Board of Directors and except as may otherwise be

approved by the Members. Officers, agents and employees shall receive such reasonable compensation as may be approved by the Board of Directors. Appointment of a person as an Officer, agent or employee shall not, of itself, create any right to compensation.

9.3 Books and Records.

9.3.1 The Association shall keep as permanent records: (a) minutes of all meetings of its Members and Board of Directors; (b) a record of all actions taken by the Members or Board of Directors without a meeting; (c) a record of all actions taken by a committee of the Board of Directors in place of the Board of Directors on behalf of the Association; (d) a record of all waivers of notices of meetings of Members and of the Board of Directors or any committee of the Board of Directors; and (e) a copy of the Declaration, as the same may be amended.

9.3.2 The Association shall maintain appropriate accounting records.

9.3.3 The Association or its agent shall maintain a record of its Members in a form that permits preparation of a list of the name and address of all Members: (a) in alphabetical order, by class, and (b) showing the number of votes each Member is entitled to vote.

9.3.4 The Association shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time.

9.3.5 The Association shall keep a copy of each of the following records at its principal office: (a) its Articles of Incorporation; (b) its Bylaws; (c) resolutions adopted by its Board of Directors relating to the characteristics, qualifications, rights, limitations, and obligations of Members or any class or category of Members; (d) the minutes of all Members' meetings; (e) records of all actions taken by Members without a meeting; (f) all written communications to Members generally as Members for a period of three years; (g) a list of the names and business or home addresses of its current Directors and Officers; (h) a copy of its most recent annual report; and (i) all financial statements prepared for periods ending during the last three (3) years.

9.4 Inspection of Records.

9.4.1 A Director or Member is entitled to inspect and copy any of the records of the Association described in Subsection 9.3.5: (a) during regular business hours; (b) at the Association's principal office; and (c) if the Director or Member gives the Association written demand, at least fourteen (14) days before the date on which the Member wishes to inspect and copy the records.

9.4.2 In addition to the rights set forth in Subsection 9.4.1, a Director or Member is entitled to inspect and copy any of the other records of the Association: (a) during regular business hours; (b) at a reasonable location specified by the Association; and (c) at least five (5) business days before the date on which the Member wishes to inspect and copy the records, if the Director or Member: (i) meets the requirements of Subsection 9.4.3; and (ii) gives the Association written demand.

9.4.3 A Director or Member may inspect and copy the records described in Subsection 9.4.2 only if: (a) the demand is made: (i) in good faith; and (ii) for a proper purpose; (b) the Director or Member describes with reasonable particularity the purpose and the records the Director or Member desires to inspect; and (c) the records are directly connected with the described purpose.

9.4.4 Notwithstanding any other provision in these Bylaws, for purposes of this Section: (a)

“Member” includes: (i) a beneficial owner whose membership interest is held in a voting trust; and (ii) any other beneficial owner of a membership interest who establishes beneficial ownership; and (b) “proper purpose” means a purpose reasonably related to the demanding Member’s or Director’s interest as a Member or Director.

9.4.5 The right of inspection granted by this Section may not be abolished or limited by the Articles of Incorporation or these Bylaws.

9.4.6 This Section does not affect: (a) the right of a Director or Member to inspect records relating to ballots; (b) the right of a Member to inspect records to the same extent as any other litigant if the Member is in litigation with the Association; or (c) the power of a court, independent of this Article, to compel the production of corporate records for examination.

9.4.7 A Director or Member may not use any information obtained through the inspection or copying of records permitted by 9.4.2 for any purposes other than those set forth in the demand made under 9.4.3.

9.5 Scope of Inspection Right. The right to copy records under Section 9.4 includes, if reasonable, the right to receive copies made by photographic, xerographic, electronic, or other means. Documents shall be requested and provided, and charges may be made in accordance with the provisions of the URNPCA.

9.6 Annual Report. The Board of Directors shall cause to be prepared and distributed to each Member and any First Mortgagee of a Member who has filed a written request therefor, not later than ninety (90) days after the close of each fiscal year of the Association, an annual report containing (a) an income statement reflecting income and expenditures of the Association for such fiscal year; (b) a balance sheet as of the end of such fiscal year, (c) a statement of changes in financial position for such fiscal year, and (d) a statement of the place of the principal office of the Association where the books and records of the Association, including a list of names and addresses of current Members, may be found.

9.7 Statement of Account. Upon payment of a reasonable fee to be determined by the Association and upon written request of an Owner of a Unit or any person with any right, title or interest in a Unit or intending to acquire any right, title or interest in a Unit, the Association shall furnish, within ten (10) days after the receipt of such request, a written statement of account setting forth the amount of unpaid assessments, or other amounts, if any, due or accrued and then unpaid with respect to the Unit and the Unit thereon, and the amount of the assessments for the current fiscal period of the Association payable with respect to the Unit and the Unit thereon. Such statement shall, with respect to the party to whom it is issued, be conclusive against the Association and all parties, for all purposes, that no greater or other amounts were then due or accrued and unpaid and that no other assessments have been levied.

9.8 Annual Corporation Reports. The Association shall file with the Division of Corporations and Commercial Code for the Utah Department of Commerce, within the time prescribed by law, annual corporate reports in such form and containing the information required by law and shall pay the fee for such filing as prescribed by law.

9.9 Fiscal Year. The fiscal year of the Association shall be the calendar year, and shall begin on January 1 and end the succeeding December 31. The fiscal year may be changed by the Board of Directors without amending these Bylaws.

9.10 Seal. The Board of Directors may adopt a seal which shall have inscribed thereon the name of

the Association and the words "SEAL" and "UTAH".

9.11 Shares of Stock and Dividends Prohibited. The Association shall not have or issue shares of stock and no dividends shall be paid and no part of the income or profit of the Association shall be distributed to its Members, Directors or Officers. Notwithstanding the foregoing paragraph, the Association may issue certificates evidencing Membership therein, may confer benefits upon its Members in conformity with its purposes and, upon dissolution or final liquidation, may make distributions as permitted by law, and no such payment, benefit or distribution shall be deemed to be a dividend or distribution of income or profit.

9.12 Loans to Directors, Officers and Members Prohibited. No loan shall be made by the Association to its Members, Directors or Officers, and any Director, Officer or Member who assents to or participates in the making of any such loan shall be liable to the Association for the amount of such loan until the repayment thereof.

9.13 Limited Liability. The Association, the Board of Directors, and Declarant, and any agent or employee of any of the same shall not be liable to any person for any actions or for any failure to act in connection with the affairs of the Association if the action taken or failure to act was in good faith and without malice.

9.14 Minutes and Presumptions Thereunder. Minutes or any similar record of the meetings of Members or of the Board of Directors, when signed by the Secretary or acting Secretary of the meeting, shall be presumed to truthfully evidence the matters set forth therein. A recitation in any such minutes that notice of the meeting was properly given shall be prima facie evidence that the notice was given.

9.15 Checks, Drafts and Documents. All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the Association, shall be signed or endorsed by such person or persons, and in such manner as, from time to time, shall be determined by resolution of the Board of Directors.

9.16 Execution of Documents. The Board of Directors, except as these Bylaws otherwise provide, may authorize any officer or Officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances; and unless so authorized by the Board of Directors, no Officer, agent or employee shall have any power or authority to bind the Association by any contract or engagement or to pledge its credit or to render it liable for any purpose or in any amount.

ARTICLE X

ENFORCEMENT RIGHTS

In the event of an alleged violation by a Member or Resident ("Respondent") of the Declaration, these Bylaws, or the Rules and Regulations of the Association, the Board of Directors shall have the right, upon an affirmative vote of a majority of all Directors on the Board of Directors, to take any one or more of the actions and to pursue one or more of the remedies permitted under the provisions of the Declaration, these Bylaws, or the Rules and Regulations of the Association. If, under the provisions of the Declaration, these Bylaws, or the Rules and Regulations, a Notice of Noncompliance and Right to Hearing is required prior to taking action or pursuing remedies, the Board shall give the Member notice and an opportunity to be heard. The remedies set forth and provided in the Declaration, the Rules and Regulations of the Association or these Bylaws shall be cumulative and none shall be exclusive. However, any individual Member must exhaust all available internal remedies of the Association prescribed by the Declaration, these Bylaws, and other Rules and Regulations of

the Association before that Member may resort to a court of law for relief with respect to any alleged violation by another Member of the Declaration, these Bylaws, or the Rules and Regulations of the Association, provided that the foregoing limitation pertaining to exhausting administrative remedies shall not apply (i) to the Board of Directors or to any Member where the complaint alleges nonpayment of assessments, special assessments or other assessments, or (ii) to matters the Board of Directors determines in its discretion will (a) affect the safety of the Common Area or Facilities or the Owners or their property or (b) will result in irreparable harm to the Association if not quickly remedied. In such cases, the Board of Directors may immediately file suit.

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify that:

1. I am the duly elected and acting Secretary of Redwood Village Homeowners Association, a Utah nonprofit corporation ("Association"); and

2. The foregoing Bylaws, comprising 16 pages, including this page, constitute the Bylaws of the Association duly adopted at the meeting of the Board of Directors of the Association.

IN WITNESS WHEREOF, I have hereunto subscribed my hand this 2 day of May, 2013.



Carrie Roe, Secretary